UNITED STATES OF AMERICA

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DEPARTMENT OF THE ARMY

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US ARMY CORPS OF ENGINEERS

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PUBLIC MEETING

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Thursday, June 5, 2008

The public meeting was convened in the Atrium Ballroom of the Washington Court Hotel, 525 New Jersey Avenue, N.W., Washington, D.C., pursuant to notice, at 8:30 a.m., Mary Apostolico, facilitator, presiding.

COMMENTS MADE BEFORE:

MARY APOSTOLICO, Facilitator JOHN PAUL WOODLEY MAJOR GENERAL DON T. RILEY STEVE L. STOCKTON LARRY J. PRATHER BEN GRUMBLES

COMMENTERS:

GERRY GALLOWAY MARK CARR APRIL H.G. SMITH AMY LARSON TOM TEETS STEVE FITZGERALD HARRY SIMMONS JOHN BURNS DAVID CONRAD G. EDWARD DICKEY CHAD BERGINNIS THOMAS VANLENT BOB WEAVER JANE ROWAN JASON ALBRITTON MELISSA SAMET

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P-R-O-C-E-E-D-I-N-G-S 2 8:30 a.m.

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FACILITATOR APOSTOLICO: Good My name is Mary Apostolico and I'm morning. going to be the facilitator today. I don't have a microphone on. We won't need that. Will we have a microphone. I tend to project very well without a microphone.

Okay, again my name is Mary Apostolico and I'm with SRA International. And I'm repeating this so that it can be transcribed. And I am going to be helping you facilitate today, the public meeting.

Again, this is -- this meeting is a listening session to get your comments and feedback and just wanted to let you all know that the panel here will be actively listening to you and not engaging in discussion.

I'm going to go through the process today with you. First a few little logistic things so you know where things are.

> outside. The There's water

facilities are out the door and to your left and all the way around. If you need to leave quickly, the building, if you -- there's -- if you come out the door, turn right there's an exit right on your right. Just about 20 feet from outside the door.

The process for today. We are having two lotteries to have public comment. The first one ended at 8:30 a.m. today. What we're going to do is draw names now for the order in which people can speak. If people arrive after 8:30 a.m. there will be a wait list and if there's time we're going to incorporate those people in to further comment later this morning in this session.

For each session you will be allocated approximately ten minutes. Your time allotment -- how we're going to do it is we're going to post a list up here on the overhead. It will show who the speaker is and who the next two speakers are. So we ask that you just be prepared and as you see your name

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make your way up so that you are ready to come up and speak.

If you are not selected in the morning lottery -- which I think everyone will get in today. But if you are not selected in the morning lottery you will automatically be entered into this afternoon's lottery. And this afternoon's lottery to sign up will close at 1:00 p.m.

General ground rules for today, just so that everyone can be heard. Please turn off your cell phones, pagers, Blackberries, or at least put them onto mute.

Again, panelists are here to listen to your ideas not to engage into discussion. One person is permitted to speak at a time. Selected speakers will be allocated the ten minutes. And a speaker may only speak once today. Speakers cannot transfer or yield speaking time to another speaker.

Reminder that this is being transcribed to ensure your comments are

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1	documented correctly and members of the press
2	and others can listen to comments presented
3	during this meeting via teleconference and
4	that's why you do need to use the microphones
5	because it's being projected through the
6	teleconference through the microphone system.
7	Again, written comments are due by
8	close of business today. The address and
9	email is provided in your handout and on the
10	agenda.
11	Any questions on logistic?
12	(No audible response.)
13	FACILITATOR APOSTOLICO: Okay
14	great. I'm now going to introduce, as you all
15	know, the Assistant Secretary of the Army for
16	Civil Works, the Honorable John Paul Woodley,
17	Jr.
18	SECRETARY WOODLEY: Good morning
19	everyone and welcome to our public meeting
20	referring to the revision that's taken place
21	of the principles and guidelines for water

related land resource implementation studies

for the Corp of Engineers.

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I'm delighted to see this very good turnout although I've asked Larry Prather if we couldn't get a refund if we moved to one of local -- smaller rooms downstairs. He said that train has already left the station. But I very much appreciate everyone coming.

I will say that I had the privilege with General Riley of attending about the last ten days the conference, annual general assembly of PIANC, the International Association Permanent of Navigation Committees, of which I am the Chair of the U.S. section. Joan Riley is President of the U.S. section ex-officio and that was held in Beijing, China and was then followed by a working cruise through the Three Gorges the Yangtze River Dam and up as far Changking.

And as a result -- it is now -- I have had a little time to recover. But it is now 8:35 p.m. on my body clock and right about

lunch time it will be midnight. And so I don't know exactly how interactive I am. I could be even -- if that was called for on the format. But I am carefully listening to everything that is said and I'm really very pleased that we have this opportunity and this very extensive representation of some of the most thoughtful people in the country in the area of water resource development.

We take the responsibility given us by Congress to conduct this revision on a very short time frame very seriously and we soliciting and even in spite of the short time frame we want to make every effort to solicit in every possible way the input of interested persons and the ideas of the communities that which really are interested amounts to virtually every community in the country, and so in aide of that, in addition to our very extensive opportunities that we are providing now and in the future for written comments to be accepted General Riley and I thought that

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there is no substitute for actually having the people that are going to be -- have the responsibility for moving this process forward sit in front of you and make ourselves available personally to listen to the points of view and to have an opportunity for people to state their concerns and their ideas and bringing forward their ideas in a open and public forum.

And so we got a public place. Му thought was that we would do it in our -- at our headquarters. Not too far from here. I realized -- we realized after thinking about that that you know, that is a Government building that we share with GAO and people had to be checked into it, you know and you had to go through a metal detector and what not. just -- we wanted to make sure that we were in a venue that was as open to any person who cared to attend as we could make it.

And so we -- you know got an ordinary hotel room here and where -- I wasn't

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checked by anybody coming in and I don't think anybody else was. Whoever wants to can be here and if you want to be here then you're more than welcome.

The principles and quidelines essentially are the Federal Government's statement of what we will be looking for as -in designing and evaluating water resource development projects for years to come. And they will be -- once they are in place they will be used by water resource development across the country and around world to determine what their views are as to what values are -- we're seeking when we seek to invest in water resource development.

As such they are perhaps the most important document that we have -- that's peculiar -- in this case right now the one's we're operating under are not peculiar to the Core of Engineers. Congress has decided that they want to establish a set of principles and guidelines peculiar to the Corp of Engineers.

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That's certainly a departure from prior practice. But you know the one that will result in a document that will still be -- even though it will not concern itself with other agencies it will still be a very important and influential document across the Government.

And so I welcome you and in addition to welcoming you I want to think you for bringing forward your ideas and comments. For criticizing the current state of affairs that we have in the principles and guidelines that exist and for describing for us how you believe these can be improved through this process.

And so I want to, at this time turn the mike over to General Don Riley. Most people I guess know that General Riley, having served as the Director of Civil Works for the Corps of Engineers for some time and my having the really wonderful privilege of working with him in that capacity, has recently been given

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more broad responsibilities as the Deputy
Commanding General of the entire Corps of
Engineers. And we're very proud of that.

But since no one has yet been named to replace him in his former capacity we still have been able to prevail on him to help us with this process and I'd like to recognize him for any comments that he's like to make.

MAJOR GENERAL RILEY: Thank you, Mr. Secretary. And I returned from China last Friday the I've got few days Ι think it's not Secretary. And that because I haven't been replaced in my old job, it's not that Steve and Larry need supervision. I think they are in good shape.

As you know these principles and guidelines have been around since 1983. So it's, it is time to take a considered look and of course we've had direction from Congress in the last word or two to revise those.

And there's really three major components. The principles and standards and

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then the procedures. And what we're really about right now is taking a look at the principles and standards, those broad values in the principles which really set out a very general selection or recommendation criteria.

And then the standards, how we carry forward with the planning to informed decisions.

What we want to do is establish those principles and standards and then the procedures, the more detailed procedures. How you calculate benefits. That will be secondary to this effort and we'll have even more dialogue as that goes on.

So we're really focused right now to establish those principles and standards and agree on those national objectives.

You know this has been a long process and really has been a national dialogue going on for at least ten years now. You could even go further back than that. And you know in 1986 Section 1135 established

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ecosystem restoration as a mission in the Corps.

So we've had that dialogue and that increased our mission. And then -- and that was really pretty significant difference from the 1983 principles and guidelines just three years later.

So that dialogue has been going on now for over 20 years. Then in the WRDA of 2000, the Section 216 requested or directed the National Academies to do a series of studies on our planning guidelines.

I know Dr. Galloway, you were part of that. There may be others in here who were part of that effort as well to. But we've counted a total of 18 National Academy reports in the last -- since 1992 that have made recommendations.

So this dialogue is something we have not just begun this year. It is been ongoing and we have incorporated many of those National Academy guidelines, those Section 216

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reports into our regulations so far.

And in addition to that, two years ago in the Appropriations Act they required the National Academy of Public Administration to do a study on our planning and how we budget for our process. So that also contributed to the dialogue.

And then as you know, for the last WRDA which took many, many years to pass there was a great deal of dialogue on that and direction from Congress that targeted our planning process.

So there has been -- this effort which you hear, see today is a public meeting or a hearing where we'll listen to your input.

We've been listening for at least ten years, probably closer to 20 if you go back to `86 when they changed the direction in Section 1135.

I don't want to engender my -- I'm not looking to get April's friendship here from the Audubon Society or to shock any of

developmental friends. But back when I commander of the Mississippi Valley County Foundation up Division the Sand Wisconsin qave book that me а was Leopold's Sand County Almanac.

Also part of that was the land ethic, the essay he wrote back in -- I believe it was in the 40's. But he talks about land ownership in that essay and the responsibility of land owners to be good stewards of their land. And they recognized at the end how development will continue to occur.

And his closing line in that essay was "We shall hardly relinquish the shovel, which after all has it's many good points" and he went on to say that "but we are in need of gentler and more objective criteria for it's use."

So I would submit to you that what we're about today is trying to achieve that vision that he had a little gentler, more objective criteria for the use of the Corps of

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Engineers in our Civil Works program.

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For instance, we think we consider public safety as a prime planning objective and in addition to that we want to look at systems. We don't want to look at a project by project basis. We want to make sure it's system. When I think of systems I think of space, function, and time.

Space in our context is being a water shed. Function, being multi-purposed projects, there's not just navigation function or an ecosystem function or a flood control function. Those Corps are There could be other functions Engineers. outside the Corps or any other Federal agency functions, air quality, water quality, water supply. So multifunction approach and then time.

When I speak time I talk of a life cycle of a project. So we don't want to plan for a project, throw it over the transom, turn it over to the owners and forget about it. We

want to plan for the life cycle of that project and then adaptation over time to adapt to changing requirements.

And then also because of that life we take approach that there cycle is uncertainty involved with that and your uncertainty increases the greater the length of your life cycle. And there's a risk There's public risk, but inherent to that. there's risk to ecosystem and there's risk to making the wrong choice.

So in our planning guidance we want to talk about that risk and uncertainty and what is the uncertainty that you have and then what's the risk of making the wrong selection.

So it gets a little -- it's not -- as Also Leopold say more objective we have a pretty objective approach right now if you think about it. I mean benefits costly, we seek the point of diminishing returns and say that's a national economic development. We want to broaden that though to in this

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process.

So, as you know and you've probably heard the Executive Branch, we're working on a lot of that right now and we put together some thoughts that we've coordinated with some of the -- with all of our other agencies partners and they are taking a look at those thoughts right now.

And there will be opportunities for more conversations after this certainly with the principles and guidelines, but even more importantly with the -- or more -- further on down the road with the procedures that I talked about earlier.

So as Mary said we're here to listen. If we engage in dialogue it will be to ensure clarity of your thoughts. We won't engage -- we want to have a reasoned, well thought out logical response. So we're not going to respond off the cuff today but we will have -- we may ask questions to ensure we fully understand your comments and what that

means and all of the second and third order effects it might have in the Federal Government.

So thanks to everyone who is participating today and joining us. I know some will be in later this afternoon because of flight delays or travel delays, but we appreciate your time and think this is an important effort for us all to be involved in. Thank you.

SECRETARY WOODLEY: Thank you, John. I would like to recognize that we are joined here today by Ben Grumbles, the Assistant Administrator for Water at U.S. EPA who is a very important partner in all of these endeavors and I'd like to ask if Ben would like to say a few introductory remarks.

MR. GRUMBLES: Thanks JP, I just really appreciate the chance to be here and most importantly the welcome you have placed and given to EPA to be very much a part of this process along with other agencies.

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But I feel the partnership that we have and the ongoing relationship is key to this. You have a very ambitious schedule on a very important task and I want to thank you personally and I think commend others in Congress for moving this along. It's an important effort. EPA is very much involved in it.

Four years ago I think you and I were beginning that process when we entered into a Memorandum of Agreement embracing watershed management and stronger collaborations among our two agencies. And this is a natural progression of that in the planning and project selection process.

So EPA really values the efforts here. We see this as critical to the advance of watershed and systems approach and also increasing challenges from storm water and a regulatory and policy standpoint, it's going to be very important in this whole effort.

And so the principle of adaptive

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1 management, finding ways to also continue to integrate that into your process is in the 2 Civil Works program and project selection is 3 important and we're willing and eager to be 4 part of the effort. 5 6 agree with you, this is We 7 climate of opportunity to embrace improvements and change and I just thank you 8 for it JD. 9 10 SECRETARY WOODLEY: Okay, we are then ready if -- Larry, you would like to give 11 us an introduction to your efforts, a general 12 overview and time line for the process that we 13 are currently undertaking and then at that 14 point we will be ready to proceed with public 15 comments. 16 you, 17 MR. PRATHER: Thank Mr. I just want to briefly recognize 18 Secretary. the other Federal partners that are here today 19 20 just by name. Nick Marathon from the Agricultural 21

Service, representing USDA.

22

Marketing

Bob

Wolf from the Bureau of Reclamation, Department of Interior Representative. Karl Stock from -- are you from Denver, or from the bureau in Denver. We have Terry Breyman from the Council Environmental Quality on Associate Director in Natural Resources there. Ben Simon in the back row from Interior, from the Office of Policy, and my good friend Greg Commander May who used to be of the Jacksonville District and now with Department of Interior and Staff Director for the South Florida Task Force, so -- and who has been very helpful to me in this effort. Ι very helpful want to say indeed and Ι appreciate my friendship with him.

So, did I miss any other Federal representatives -- oh, there's Ken Kopocis. I need to say hi Ken Kopocis who works for the committee on transportation at the House of Representatives and you know marched many miles with Ben Grumbles here over the years.

So thanks for being here Ken, we appreciate

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your support.

I just want to say that it's hard for me to get a group together to listen to me. I think I remember when I was, you know out in Cincinnati they asked me to go down to the Kentuckians for Better Transportation and I couldn't believe it, they asked me to be the lunch speaker and there was hundreds of people there and finally I figured out that behind me was a standup comic and they were drawing a prize and you had to be present to win.

At least they let me go after the drawing today, but you know that's the only way -- I think Ben was still in high school you know and they probably thought that -- down in Louisville, weren't you down in Louisville -- that's about how far back it goes, but -- and the probably still don't have the fuel buses for better transportation.

But at any rate, I think we're here today with the Americans for Better Water Resources and I appreciate your being here and

I appreciate that all the interest that you've shown as we got on the way here.

So we have some slides that I want to run through as quickly as I can so this is really about you talking.

So I just wanted to say a few words about the basic planning process, which if you look at what happens along the back bone of this planning process it's not all that complicated and it's a sound process and it doesn't assume that anything has to be done. It starts out from the clean sheet of paper and it asks what the problems are in the planning context or the study area we talk about sometimes.

And then you look at some of the conditions that determine how well you can meet -- solve these problems or realize these opportunities and you formulate alternatives to address these problems, and you evaluate these effects according to some set of criteria that are usually manifest in our

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context in terms of objectives, and you compare these alternative plans and weigh them and trade them off as economist are fond of saying, and then you select a recommended plan.

Any of you who ever were sent to some management class in one of the segments of the management class was problem solving and that's really all this is about. And it would be kind of hard to believe this is sort of like you know, well we haven't revised the principles and guidelines since 1983.

You know this part of it here you know would be like throwing the logic book away. I mean you know in my mind it's about the values and some of the other things. But the basic process is very sound and it doesn't assume anything has to be done. I mean at the end of the day you can always decide to do nothing.

The 1983 principles and guidelines were actually the third manifestation of

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planning guidance under the 1965 Water
Planning Act, Water Resources Planning Act,
and there were two others. One that was
called Principles and Standards, and two
ooth of them were called Principles and
standards. And there is a story about how
his one got called Principles and Guidelines
out I think all four go to that story and just
ay that the first two and one was in the
.973 in the Nixon Administration and another -
or 1979 and another in 1980. I guess after
73 was right. 1980 was in the Carter
administration and both of them had two
bjectives and that was the economy and
environmental quality. And then in 1983 it
as decided, you know in the same sort of
ouild-up that led to cost sharing that what we
needed to do was focus on the economics. And
so they adopted a single Federal objective for
accounts, national economic development,
regional economic development, environmental
muality and other social effects

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We maintained the four account framework of the Water Planning Act, that's where that comes from, the four objectives that Congress gave us in the Water Planning Act.

And the rule was to select the NED plan unless the Secretary grants an exception. And there was a provision for addressing And you formulate other plans other concerns. and to talk in terms of being able to see what the national economic development costs were formulating along other dimensions in terms of The selection rule is concerns. stated there, you can read it and it just says maximum pick the plan with the economic development benefits unless the Secretary And in fact in the 90's, grants a waiver. particularly in the 90's but even going back to `86 Congress began to -series а incremental steps that moved the Corps Engineers increasing role into an ecosystem restoration, aquatic system

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So to respond to that and institutionalize that role in the Corps we essentially evolved to a blanket exception to the NED rule for ecological restoration.

So this just illustrates, this just illustrates the typical case of environmental project where our goal is we're just giving up NED, that means it something. Α single purpose restoration project gives produces up NED and environmental quality as measure we terms of some metric of -- that tells us that we're improving the aquatic ecology.

So, the current situation is that we've adopted ecosystem restoration as an objective. That's the de facto. And we've modified the 1983 plan selection rule.

As Secretary Woodley and General Riley discussed we have Section 231 of the Water Resource Development Act of 2007 which directs the Secretary of the Army to revise

the principles and guidelines according to some guidance, policy guidance from the Congress and some other consideration and we've decided to break that down into two steps.

The first one will be to revise what's called principles and standards. Not to be confused necessarily with previous versions. But, principles are those broad values and generally the way you just make decisions and standards is a more detailed explanation of how the planning process is supposed to work. In other words, how do we go through those steps that I had on the first slide and produce the information to inform the decision makers that have to make these decisions.

So that's part one. And we'd like to get a draft to the public by the end of July, the end of 30 day comment period.

The National Academy panel public forum in early August. Mr. Jacobs, Dr. Jacobs

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is back here today from the Academy and we're working with him to get that set up. I hope we're on schedule. And we're scheduled to complete the revision in November of 2008 of this first piece and this is a very high level piece but a very crucial one because it deals with what's going to count and the evaluation of these projects and how we're going to make the decisions.

And then this procedures piece, let me just say a little bit about procedures. Procedures very detailed quidance the are about how to do benefit analysis essentially. That's what they have been. That's chapters two and three of the old 1983 quidelines. Very detailed recipes for how one does the benefit analysis for say purposes for example, inland navigation. How do I compute benefits and display those for an inland navigation project or a flood risk management project, or a water supply project.

Okay, so when General Riley talked

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about the time we'll have we're going to have considerable time working through those additional conversations with regard to those details because that stuff is in need of some updating and we need lots of help with that and we're going to be engaging the public in that process.

What we hope to do this year is get a literature review together and decide what kind of resource plan we need to get the job done and let me just go back up. wanted to point out on the first part that we have other -- we're going to have a lot of time to continue to talk to people and once we get a draft out there, you know people want to come in and talk to me directly you know, we have some folks that think -- you know they get a little nervous, some of our counsel about the Federal Advisory Committee Act and you know how we talk to people and that's one of the reasons we're here today in terms of a public meeting because that really obviates

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any problems that we have that way.

So I just want to say that once we have something out there to talk about it will be a great opportunity to have further conversations and I'm going to be available to talk to anybody who has the time to talk to me.

Just wanted to say -- what are some of the issues and you've heard the Secretary and General Riley talk about some of them and Ben Grumble has talked about some of them. Some of the things we're thinking about, some of the things that almost have to be -- have to show up in any revision. Just have to in my mind.

One of them is to just go ahead and formally recognize what we're doing already which is the aquatic ecology, that's a restoration objective. So I would expect you would -- you would expect us to have that I'm sure and I'm sure we would.

Public safety for flood risk

management, some sort of a standard or way of better coping with -- that doesn't mean build 500-year levees everywhere. It probably means a reasonable combination of structural and non-structural means that you know we make sure that we have evacuation plans that resourced and that people, you know appropriately communicated with and that those kinds of aspects of the plan are items of local corroboration in a way, for example that make sure people are safe. That's one way of looking at it.

I think if you went back to 1907 when Theodore Roosevelt appointed the Inland Waterways Commission you know he made a very eloquent statement -- I didn't bring it with me today, I wish I had -- about how every river system has to be considered as a unit and then he talks about how many times people think that uses always have to conflict, but that we ought to really work in a watershed framework to look for synergies, you know and

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watershed ideas open up choices. In other words if you have collaboration and watersheds then you have a bigger choice set and it's a fundamental fact that if you have an enlarged choice set you're able to make better decisions or decisions that increase well-being.

So we believe it's important to work in that framework and achieve those synergies and that's part of our strategic plan. So I would think that you would have to expect that the Corps of Engineers would be interested in those things and Ben mentioned watersheds.

And collaboration I just mentioned that. The plan selection rule and the formal one, the one that we've departed from is to maximize net economic development benefits. I expect that you would see that we would formally recognize what the defacto decision process has evolved to. And an emphasis on adaptive management.

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We need particularly in some of these ecological settings where the outcomes are uncertain because our understanding of how the change in hydrology or hydro-geomorphic changes are going to you know result in the biological outcomes is sometimes uncertain. That we would want to incorporate that. General Riley mentioned that.

So those are the kinds of things we're thinking about. This is a very good time for you to have an impact on us and that's why we're here today and this is just meant to provide you with some background.

Just one more -- I think I had one more little slide that -- where we'd like to be some day is, you know with Aldo's, you know the gentler criterion or whatever it is that we revolves the projects that can produce both economic and the ecological benefits. You know recognizing the trait that we're going to have to still make a decision along that line but that we can formulate as many projects as

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we can that have both kinds of benefits for 1 2 this nation. All right, thank you. That's the 3 Thank end of my presentation. you 4 Mr. Secretary. 5 SECRETARY WOODLEY: 6 Okay, Mary? 7 FACILITATOR APOSTOLICO: Before we move on to the public comment period are there 8 any questions directly related to background 9 10 and time line? (No audible response.) 11 FACILITATOR APOSTOLICO: Just 12 checking, okay great. I'm going to read off, 13 we're going to have everyone's name up here 14 that has been selected. It will show the 15 speaker, the current speaker and then the next 16 two speakers. I'll run through the list real 17 quick so you'll know. 18 Gerry Galloway, you're going to be 19 20 first. Mark Carr, and let me apologize if I butcher anybody's name ahead of time. 21

Tom

Larson,

Smith,

Amy

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Steve

Teets,

Fitzgerald, Harry Simmons, and John Burns. 1 So everyone who signed up before 2 8:30 a.m. was able to get into the lottery. 3 We will do a wait list if we have enough time 4 after wait list lottery. 5 I will -- for the speakers I will 6 7 have time cards to let you know just how your time is going because you're going to get 8 approximately ten minutes and I'll give you a 9 10 five minute and a two minute so you'll know what's left of the ten minutes. 11 With that, Gerry? 12 MR. GALLOWAY: Good morning. 13 Ιt distinct pleasure 14 is to be here and a actually and 15 privilege Ι appreciate the opportunity to meet with you all this morning. 16 Gerry I'm Galloway. I'm 17 professor of engineering and public policy at 18 the University of Maryland and I also work in 19 our university water resources collaborative. 20 message today is relatively 21 My straightforward. 22 We've got severe

challenges, climate changes just around the corner and their only going to exacerbate the challenges we already face.

Dealing with the future is going to require that we have documents that guide the development of needed water projects and produce projects that truly meet the needs of the nation. They must be nationally recognized documents rather than regulations from the Corps of Engineers that are not part of a larger process.

Ad hoc or secretarial approval just doesn't work in the long run. Just as we military the understand in the commanders intent and how that pervades everything we do, the Commander in Chief and the Congress need to have their intent clearly expressed. **OMB** doesn't listen anybody to but those two agencies, I'm not even sure they listen to them.

For 25 years the economic principles and guidelines for water and

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related land resources implementation studies have formed the ground rules under which important development projects are studied, authorized, and funded.

Over this period as we've just heard they have focused on national economic development rather than all the benefits and costs the projects might produce, the economic, the environmental, and social.

In eliminating the principles and standards in `83 the Reagan Administration made national economic development the sole objective and it would, as many people would contend eliminate consideration of environmental benefits, public safety, and other social impacts.

In spite of the fact that there have been exceptions, when you go out to the field and talk to the planners there's this hesitation to do anything that moves away from NED.

As a result of the failure of

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Congress to revise principles and guidelines the many projects with strong environmental, social, and public safety benefits have been left on the table to the detriment of efforts to protect and enhance our natural environment, provide social justice for those who need our support and offer the safety to the many people who are at risk in areas where economic benefit alone does not justify their protection.

What's interesting is review after review by the national academies and other agencies have pointed out the need to change principles and standards. And this started as early as 1986 as General Riley noted.

It is not something new. In 1994 a White House study after the Great Mississippi flood indicated that the principle Federal Water Resources Planning document principles and guidelines is outdated. At the same time EPA sponsored a study that came up with almost the same conclusion.

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In 1999 an NRC Committee examined the core planning process and noted in their committee report that the recommends the Federal principles and quidelines be modified thoroughly reviewed to and incorporate contemporary, analytical techniques.

In 2000 a report by the National Research Council Committee investigating core methodologies for flood risk determination indicated that to appropriately include flood consequences and their relative importance the committee recommends that the ecological health and other social effects of the core reduction studies flood damage and the tradeoff between them be quantified to extent possible and included in the national economic development plan.

While reviewing the issues associated with maintenance of the ecosystems of the Missouri River another NRC Committee found that the Executive Order 12893, which

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strengthened the benefit cost requirements for Federal agencies but opened the way for wider consideration for environmental values, was not taken into account and the P&G had not been modified to include such approaches.

When the Water Resource Development Act in Section 216 of the 2000 Act requested the National Academies review core peer review procedures, methods and analysis they came up with five different studies. The committee looking at analytical methods found that the principles and quidelines should be revised to reflect contemporary better management paradigms, analytical methods, legislative directives, and social economic and political realities.

it noted that benefit cost And analysis should not be the used as lone criterion in deciding whether а proposed planning or management alternative in a core planning study should be approved.

The committee that was examining

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river basin and planning techniques noted that comprehensive guidance on integrative planning is not found in the current principles and guidelines.

The P&G has not been revised for 20 years and should be updated to provide sufficient and balanced information on how to conduct integrative water systems planning.

In 2005 a separate study of water resources planning for the Upper Mississippi reported that another example of Federal direction that should be revised and clarified is the principles and guidelines and it goes on to give some details.

Clearly there is a push to revise the principles and guidelines and while I approve what's been done by the Corps and certainly support it within their own standards to do this in the regulation the Corps needs top cover and there needs to be a national attention to this.

You can go through and I've

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discussed what was in the principles and standards and how that moved ahead.

I would urge you, in the conduct of your review, and in the preparation of the new principles certainly to accept the objectives that are included in the Congressional legislation, sustainable economic development avoiding unwise use of flood plains protection and restoration of the functions of natural systems. But I would argue that's not just restoration, it's far beyond. It's the entire issue of environmental quality.

addition, Ι believe In three additional objectives should explicitly be included in the revision. is the One protection of public safety. is the Two maximization of positive social effects that stem from the proposed project and three, the development of projects within the context of watershed in which they are located. Something that needs to be done.

These objectives are in line with

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the considerations found in Section 2031(b)(3) of Water 2007.

guidelines Under the current \$2,000,000 project protecting a \$4,000,000 would be providing greater home seen as benefits to the nation in the same \$2,000,000 project protecting 40 \$25,000 homes and the families that live in these structures. doesn't pass the common sense test.

The protection of public safety or an objective to the benefits or providing protection of these families would have to be considered in the final accounting.

It's interesting to note in previous testimony a former acting Assistant Secretary of the Army noted that we have the ability to quantify the loss of life and to deal with that we just haven't done it. But why is it not being done?

I would argue that the need for this accounting should be explicit in the revised principles and guidelines. It's in

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consideration of public safety. It will be important to examine the 100 year de facto national standard for flood protection.

Two recent studies conducted for FEMA by an interagency levee policy review committee and by the Water Resources Collaborative at Maryland have indicated the reasonable level of protection should at least be at the 500 year standard project flood level.

And California has already moved to the 200 year level. As recent studies by the Corps Institute of Water Resources indicated, spoke very strongly of the need to consider other social effects, the human needs that include distributed justice, social correctness, quality and health and safety considerations in addition to the economic well-being factors.

Information on these multiple dimensions of well-being is increasingly being used by Federal agencies, the World Bank, and

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other countries to provide a more comprehensive understanding of quality of life and livability issues.

This clearly should be part of the principles and guidelines. Establishing a watershed objective addresses two issues. The pure practicality of engineering a project without the context of -- within the context of related projects and activity within the watershed. And the second part of that is to ensure that the funding and the support for the project includes that very, very critical component.

Clearly as directed by Congress the new principles and guidelines should employ the best available economic and analytic techniques.

We should certainly consider the issue of non-structural protection and eliminating the bias that does exist in the current versions.

I would recommend that the new

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principles and guidelines require project planning to include full consideration of future conditions in the watershed in which a proposed project might be developed.

These future conditions should include the potential hydroponic and hydraulic impacts and climate change and any forecast development in the region that might impact the project area.

It's foolish to develop a project on yesterday's information and not what it might be in the future.

I would also urge you to recommend that the administration of Congress, that the principles and guidelines you develop also be applied to other Federal agencies involved in water resource development.

The current principles, as you know, apply only to four, the Corps, the Bureau, the Natural Resources Conservation Service, and the TVA, but do not cover project supported by other agencies such as EPA, the

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Small Business Administration, the Federal Emergency Management Agency.

It is not appropriate to have one set of principles and guidelines for the Corps of Engineers and other principles or no principles for agencies involved in similar work throughout the nation.

I find it interesting that Congress directed the Secretary of the Army to in effect substitute your version Mr. Woodley, of the principles and guidelines for those promulgated by the President without requiring reconciliation for the Corps of principles and guidelines with the administrations principles and guidelines, which I assume will continue to exist.

This seems to be going in the wrong direction in an era when we're looking for a comprehensive approach to Water Resources Development in the nation.

I compliment your effort to obtain public input for this important effort and

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thank you again for the opportunity to speak to you today. And I have given a copy of my full remarks to each of you and to the staff.

MR. CARR: Thank you. It's good to see you folks. My name is Mark Carr and I'm with AEP River Operations. We're a barge line headquartered in St. Louis, Corporate Headquarters in Columbus, Ohio. We have about 1,400 mariners, 27, 2,800 barges, and about 60 boats and we operate Pittsburgh, Chicago, New We used to have a nice Orleans, largely. business on the Missouri River but that went away.

I want to make sure that folks in - and your panel I know and in the general
audience recognize that the mariner community
has an abiding interest in a good river
environment.

We live out there in ways that are
-- have largely disappeared from American
society. Most of our people wake up on the
river and go to bed on the river about six

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months of the year. And except for fishermen and a few other folks there isn't a community in this modern society that has that kind of intimate relationship with the river and to -- I think we all have done a disservice of setting up a mariner versus conservationists duality over the years. And we're working rapidly to make sure that folks understand our viewpoint and how we come at these kinds of issues.

The recent excellent work that the Corps has done in New Orleans shows that when the National and Washington will are aligned and there's a pressing need that the Corps can plan and execute projects.

We're concerned that the missions of the Corps, especially the public safety and environmental quality, will suffer in ways, in an over-planned environment, and overanalyzed environment.

Those missions and all the other missions will suffer in the same ways that the

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maritime infrastructure mission has been challenged in this generation of projects as opposed to the projects that came in previous decades and generations.

We think that the process as it evolves should recognize economic benefits beyond the construction project and beyond the banks of the river.

The ecosystem focus that has been gaining prominence and the watershed focus that has been gaining prominence in the planning process recognizes benefits away from the river bank. It's not just between the banks of the river and the immediate riparian zone, but it's the conservation of ecological benefits stretching quite a ways out from the river.

And understanding in our previous, previous family current and practices have restricted the economic benefits of projects, infrastructure projects, to the projects themselves and not to, and

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maybe shore side projects, but not projects the hill. And different ports terminals call terminal that on, the we operation on the riverside is a real small component of an industrial complex that maybe located up on the hill or over the hill and we believe that as the ecosystem benefits are river broader than between the banks we believe economic benefits that the include those industrial facilities and the under-utilized labor markets, the labor resources in these regions of the country are regions of the river area that are away from the shore.

We think that the watershed focus is appropriate, but I can't get a sense that the watershed studies are available for the entire country. And I'm very concerned that if you require a watershed focus before you plan projects and act on them that we're not going to get anything done for another generation because the Upper Miss Project,

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that analysis that went into the Chief's report a few years ago took what, 10, 12 years.

of There а lot different. were things going on in there but I believe that now we feel that we have a watershed study, but if you look at all the other watersheds in the country I don't think you're going to come up with a real long list where that's prepared and if we have to step back from any kind of ecological, project work, whether national, regional safety, economic ordevelopment, until all the watershed studies are done I think we're going to be here for a long, long time.

I'm probably going to have a lot of job security because it isn't going to get done in the remains of my career nor in your careers.

And in general we fear that the Administration's approach to planning and over-planning is likely to paralyze the Corps

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With infinite planning and planning processes that diffuse the focus rather than narrow the focus. And again, I started out talking about the importance in a day to day measure of the environment in the watershed and a level of intimacy that's largely unknown in American society and so I'm not saying that we need to stop looking at these important missions of public safety, environmental quality, and national economic benefits and all, but I believe that there is a real risk of focusing too broadly, never being able to get anything resolved and done, looking at the worst things that happened in the Mississippi River Nav Study, and engineer a process that eliminates those kinds of problems and diffuse focus and helps the Corps and helps the nation focus in on the important missions and then gets things done.

I think getting things done is the weakness if environmental quality projects, if

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public safety projects track on the same path that maritime infrastructure projects have tracked on the last number of years we're going to have a real problem, thank you.

MS. SMITH: Good morning. My name is April Smith with Audubon. I serve as the Director of Ecosystem Restoration the office. Washington, D.C. And Secretary Woodley I want to thank you for holding this public hearing on this very important issue and thank the rest of the panelists for being here and listening so patiently all day long. And I'm glad I'm not last.

A few points I'd like to raise on behalf of Audubon and our one million members and supporters across the country.

We recognize this as an important opportunity to advance our mutual goals of stewardship of our important natural resources. As reflected in our Memorandum of Understanding and as reflected in our nations growing priorities and concerns.

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First and foremost I'd like to talk about environmental protection and ecological restoration. This core mission, this objective must be on equal footing with the other core missions.

Secondly, I wanted to mention the non-structural and natural system options. The current principles and guidelines had an inherent bias, again it's non-structural and natural system alternatives as discussed by previous speakers and protecting and restoring healthy and fully functioning ecosystems and their associated ecological services should be given the highest priority for project planning.

Projects should be designed to work with and maintain the integrity of natural systems to the maximum extent practical.

Flood plains flood, lets not leading people to believe that that doesn't happen. Keep people out of harms way if we can rather than figure out how to protect them

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once they are there.

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Ecosystem, watershed scale planning. This is essential to an efficient and effective water resources planning process.

Comprehensive evaluation of the complex interrelationships of water resources within ecosystems require this scale planning.

Thirdly, inclusive an and transparent and efficient process. The quidelines principles when revise and we should provide for extremely inclusive an transparent process to involve the public, other Federal agencies, state, tribal, local regional, Governments, non-profit organizations and other stake holders from the beginning aggressively, inclusively, to develop a broad and informed public, and a trusting public to move the source of resource planning processes forward together.

This is the lesson we learned in the Everglades. We're still learning it in

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the Everglades, but it's a key example of how when you're inclusive, when the process is transparent, when there is trust you can advance. And when that is not in place you get held back in progressing with projects.

The last thing I think is more part two but dealing with procedures. We should recognize in the very beginning of this process that having a single set of procedures for all objectives and all types of projects may not be the most efficient or effective way to move forward.

We need to that the ensure procedures in place are not unnecessarily wasteful, time bureaucratic, consuming, duplicative.

We need to make sure we're focusing on an individual organizations and entities strengths, expertise, authorities, and not going through motions that don't necessarily advance the objective we're focusing on for a particular project or program.

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And finally, the revision should ensure that water resource planning accounts for actual or anticipated effects of climate change. And focus those resources to help ecological systems to adapt and to mitigate to those facts.

And finally, because I thought it was more procedures, but the adaptive management process, as we move into that we need to make sure that adaptive management is scaled both geographically and temporally to measure ecological responses particularly for ecosystem restoration projects.

We urge the Secretary and the Corps to fully embrace this important and unique opportunity to update the mission of the Corps to reflect national priorities and to fully realize the potential of the Corps to be a leading steward of our nation's precious water resources. Thank you so much.

MS. LARSON: Secretary Woodley, General Riley, and members of the panel. My

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name is Amy Larson from the National Waterways Conference. The Conference appreciates the opportunity to submit these suggestions for revising the 1983 principles and guidelines applicable to planning studies of water resource projects.

The conference established in 1960 is the leading national organization to advocate for the enactment of common sense water resource policies that maximized the economic and environmental value or our inland, coastal and great lakes waterways.

Conference membership is comprised of the full spectrum of water resource stake holders including waterways shippers, carriers, industry and regional associations, port authorities, shippards, dredging contractors, flood control associations, levee boards, engineering consultants, and state and local Governments.

In recognitions of the public value of our nation's waterway system and its

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contribution to public safety, a competitive economy, security, environmental quality and energy conservation, the conference submits these comments to the Corps for its consideration.

As an initial matter the National Waterways Conference sees no compelling reason to change the principles and guidelines. Such modifications would have no impact on the underlining concerns about the process and procedures used to develop, evaluate, and review water resource projects.

Nonetheless in view of the conferences Congressional mandate the objectives in submitting these comments two fold. First, recommend few to improvements and enhancements to the existing quidelines. And second, to urge caution in developing revisions to the quidelines order to avoid causing any undue harm in the planning process.

In general the National Waterways

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Conference is concerned that the Corps of Engineers has been unduly limited in its approach to solving the nations serious and growing water resource problems.

In 1983 P&G provides for a single planning objective, national economic development. Nevertheless, the Corps appears to have adopted an environmental quality objective consistent with prior principles and standards based on the 1965 Water Resources Planning Act.

We applaud the Corps consideration of both of these factors but would support expansion of the planning criteria to include other factors including but not limited to regional economic development, social benefits, and public safety.

We also support a comprehensive approach to planning. Water resource problem solvers have realized for many years that the best solutions to the water resource problems are those that take a comprehensive approach.

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Even to the extent of considering non-water related problems.

In recent years the Corps thinking has been evolving towards these watersheds and systems thinking. The Corps strategic civil works strategic plan was founded on this idea.

And central to this idea is the notion that we must collaborate with others who have the responsibility Federal or otherwise to implement the elements of a best solution.

In addition to economic objectives water resource planning must also consider public safety a lesson tragically demonstrated in the recent years by the impacts of Hurricane Katrina and Rita.

We believe it would be irresponsible planning to fail to consider the overall set of components within flood risk systems. An economically fiscal solution which leaves people exposed to unacceptable and often underappreciated risks is simply not a sound solution.

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Further, sound planning for public safety must be accomplished in collaboration with other local interests who in turn have a variety of other problems to address.

The conference support planning process that is broad enough to accommodate assignments to the Corps based on future needs the Congress mandates, even those assignments that are outside the Corps traditional mission areas.

We believe optimal solutions are those which are derived from considering in a comprehensive manner all problems in an existing area. To accomplish this goal planning must be collaborative involving all stake holders to assure completeness.

The National Waterways Conference also believes that a fundamental premise of the Corps plan and process must be from the national perspective rather than from the Federal perspective.

This policy was articulated in the

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1936 Flood Control Act which provided that the Federal Government should improve participate in the improvement of navigable waters or their tributaries including watersheds for flood control purposes if the benefits to whomever so they accrue are in excess of the estimated costs and if the lives or social security of the people are otherwise adversely effected.

This concept is founded under the concept that people get the benefits. Where 2007 reaffirmed this policy that all water resource projects should reflect national priorities.

The National Waterways Conference supports revising the principles and guidelines to allow for such considerations. Restricting evaluation criteria to national economic development and not include regional economic development, social needs, and public safety would prevent implementation of a comprehensive water resource policy.

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On behalf of the National Waterways

Conference I appreciate the opportunity to

submit these comments and we look forward to

work with the Corps as it develops reasonable,

flexible, and comprehensive water resource

project planning criteria, thank you.

MR. TEETS: Thank you, my name is Tom Teets. I'd like to thank the panel, Secretary Woodley for the opportunity to provide our input on the revisions of the principles and quidelines today.

My name is Tom Teets and I am with the South Florida Water Management District and your local sponsor for the Competence of Waterways Restoration Plan.

Our focus and direction of the Corps of Engineers process has evolved since the update of principles and guidelines in 1983. The evolution of our project, CNSF Project, is an excellent example of how the Corps role of water management in the United States has changed through time.

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CNSF Project was first authorized Congress in 1948 with the authorized project to include flood purposes of the control, regional air supply, for Ag in urban areas, prevention of salt water intrusions, supply to Everglades National Park, water preservation of fish and wildlife, recreation navigation.

additional authorizations Many related to the CNSF have occurred over the years with the authorization of the Kissimmee River Restoration Project as well as modified water deliveries project and C-111 project has been really turning points for us where we problems started to correct the of the primarily flood protection project that have today.

Also in 1992 the Corps of Engineers received its first two authorizations to complete the Central and Southern Florida comprehensive review study. The purpose of this study was to reexamine the CNSF Project

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to determine the feasibility of modifying the project to restore the South Florida ecosystem and to provide other water related needs of the region.

This study submitted was to Congress in 1999 as you all know and the Water Resource Act of 2000 approved the comments restoration plan as a framework for modification of operations to the CNSF Project are needed to restore, preserve, protect our ecosystem in South Florida while providing for those other needs in the system.

This study as you know was very much a comprehensive study. It covered a 16,000 square mile area from Orlando to the Florida Reef Tract. The problems that have been identified resulting from the construction of the CNSF Project are ultimately very vast and include many things including the problems with Lake Okeechobee, water levels affecting the higher Okeechobee. in Lake zones Extreme

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fluctuations to our major estuaries to the East and West of the St. Lucia estuary.

Also detrimental effects within the Central Everglades system itself. Very large impacts on our ridge and slew systems and it impacts the Everglades National Park and also unsuitable fresh water flows to Florida Bay and Biscayne Bay.

As you know the plan was approved by Congress. It was identified over 60 components that we needed to implement and it's a combination of many, many things that to be able to get the significant restoration benefit throughout the South Florida ecosystem.

The complexity and diversity of this restoration effort is a good example of the type of restoration planning and implementation efforts that the Corps of Engineers will be encountering in the future.

Unfortunately these types of planning efforts do not lend themselves well

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to the economic benefit analysis that have been typically used by the Corps of Engineers to select the recommended plan to justify projects in a nationwide setting.

The Congressional action taken on CERP did not provide full authorization for any of the specific projects identified in the plan therefore planning efforts have been embarked upon to plead feasibility studies.

In our case project implementation indicates the for individual reports CERP A number of challenges have been projects. encountered in the planning process for this program, the largest environmental restoration history which program in have not been typically encountered or addressed by principles and quidelines.

Implementing these challenges in large multifaceted, multi-year restoration programs like the Everglades and California Bay Deltas and the Louisiana Coastal Wetlands need to be considered as the P&G are revised

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in order to be used as foundation for Corps and other Federal agencies, water resource planning in the future.

I just want to highlight a few of the revisions that we think are needed for the P&G. First of all this has obviously been talked about today. There needs to be a clear Federal objective for ecosystem restoration which needs to be defined separate from the current national economic development objective.

In a category of general planning considerations P&G needs to be modified to direct the Federal planning process fully collaborative and fully integrated local sponsors in their planning decision making have truly a mutual decision process and embedded for the local making process sponsors, particularly those of us that have large cost-share factors involved.

Local expertise and knowledge provided by the sponsors can be key to

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identifying the correct project alternative. We may be a little unique than some of the other agencies, but we have a lot of expertise in house to work with the Corps.

Climate change is also very important and the sea level issues would need to be recognized in South Florida as very much need to be factored into the front end of many of the planning process.

The current P&G focus primarily on the NED account which has been used for years to justify these projects. AS we've already heard today that needs to shift.

And unfortunately the alternative formulation of project justification for ecosystem restoration projects cannot be viewed purely quantitative, economic terms as has been used in the case of NED.

One of the challenges of justifying ecosystem restoration projects is the continual need to quantify a benefit that may be primarily qualitative in nature. In other

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cases the quantitative evaluation has been conducted followed by further conversation to a single quantitative habit unit which oversimplifies the analysis potentially leading to erroneous conclusions.

Alternative methods of justifying projects needed when diverse ecosystems are impacted by a project. An example of CERP we have -- as you know a Lake Okeechobee, the estuaries, and the Everglades. Attempting to quantify the benefits in terms of agricultural habitat units for all three systems at the same time is really not very practical or realistic.

Alternative methods for justifying projects should take into consideration how a project fits into the overall framework that has been established for ecosystem restoration. In some cases this could simplify and make more meaningful the project justification process.

For example, there may be a need to

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increase storage capability in order to have more water management flexibility that will facilitate other follow-on restoration projects.

this the increment of case storage that а project detains could be considered in the justification process. In addition, the fact that this project is increment of the overall restoration should be taken into consideration of the justification process and this is one of the difficulties we are running into right now.

We're trying to justify projects in small contexts. Very big system, smaller projects, harder to justify.

Currently, although multiple output categories exist for watershed projects only habitat units seem to be acceptable versus a broader array of output such as storage, reduction of seepage, losses to the natural system, improved timing of deliveries.

In other cases where ecological targets

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have been identified for specific areas such as a estuary the percentage of the detainment of that goal could be used to judge a successful alternative.

Unfortunately project teams are being forced into translating that into the percentage of attainment of a target back into a single quantitative habitat unit which in some cases that transfer doesn't work very well.

The benefits and justification process currently used in CERP has led to a situation where justifying individual projects in the vast Florida ecosystem is challenging at best. Smaller less costly projects which may be more desirable to decision makers are difficult to justify because of their small benefit to a large ecosystem.

In the case of CERP even larger and more costly projects may not deliver adequate benefits because they are the early foundation projects on which the overall restoration will

be built.

These projects may be key to the ultimate success to CERP, but ultimately reviewed by decision makers because they are limited benefits at the very high cost we encounter.

We'll be happy to continue to provide comments as we go through the process of coming out with the draft and we thank you very much for this opportunity to talk today.

MR. FITZGERALD: Good morning, I am Steve Fitzgerald. Today I am representing the National Association of Flood and Storm Water Management Agencies.

Water resource challenges and flood risk reduction projects have changed since the 70's and 80's as our values and perspectives.

We applaud you for taking on this tough assignment today.

NAFSMA is a national organization that represents local, regional, and state flood and storm water management agencies.

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Most of which are located in urban areas.

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Many of our member agencies are local sponsors for core projects within their communities. We are proud of our partnership with the the successful Corps and many federally partnered projects that have reduced damaqes and loss of life communities. While at the same time providing places for families to live with lower flood risk and desirable economic, social, environmental conditions.

In making significant contributions to the cost of Federal studies and projects the sponsors have understandably taken a more active role in identification, development, and implementation of flood risk management projects.

Consequently many have developed a high degree of planning, environmental policy, and technical expertise. Local sponsors today are strong partners with the Corps not just stakeholders.

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Because of this close partnership and teamwork our mutual capability to reduce flood risk is greatly increased. NAFSMA is pleased to present these recommendations for revising the 1983 principles and standards.

One, reduce the emphasis on national economic development or NED plan. The other three accounts just are as Even identifying the NED plan is important. important there needs to be equal emphasis on the other three accounts when evaluating alternatives selecting and plan а implement.

Local sponsors typically multi-objective incorporate which uses think of as the four accounts in flood risk reduction projects in order to garner community support and comply with other state and Federal regulations.

Other objectives often include public safety, water quality, groundwater recharge, ecosystem restoration, environmental

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preservation and enhancements, esthetics, and recreation.

Planning studies should distinguish each of the multi-objective benefits or accounts and identify what part of the plan each party can help implement.

These practices generally fall under the Corps terms of integrative water resources management and collaborative planning.

Number two, embrace and encourage local sponsors and others to contribute directly to the success of the planning and implementation of multi-objective projects.

standards The 1983 language addressing the local sponsors' role in public participation needs updating. Since local sponsors are true partners, recognize them as such in the standards. Using local expertise and knowledge will not only produce a better but it will also strengthen plan ownership of that plan.

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Three, easy process for selection of the non-NED plan. With multi use projects and integrative water resources management in place the NED plan may not be the recommended plan. The recommended plan should not have to go through a more stringent process of review, approval, and authorization.

Four, continue use of the four criteria. Complete, effective, efficient, and accessible, with equal treatment. All four are needed to have a successful plan or project.

time allow But at the same analytical restrictions and professional to shorten the planning process. judgment Often the required level of analytical detail exceeds the return in identifying a better project Allowing analytical orplan. restrictions cutoffs in professional orjudgment in evaluating alternative in plan selection.

We are concerned that the Corps

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planning process is heading in the opposite direction following the unfortunate publicity on navigation projects and the recent Gulf Coast hurricanes.

NAFSMA local sponsors need to do a better job telling the rest of the story to both Congress and the media.

Five, integrative risk management and risk informed decisions are good ideas. But please do not add analytical requirements that lengthen the planning, design, and construction process.

When risk items are added to the process analytical requirements and the current process that have little or no value added need to be reduced or eliminated.

Six, emphasize addressing public safety in planning, design, construction, and operations of water resources projects. The water resources profession relearned the importance of public safety from the 2005 Gulf hurricanes.

Public safety needs to be incorporated into every phase of the process on the same level as environmental compliance and environmental stewardship. Changes to project features and designs for public safety may not be noticeable but public education, preparedness, and public reaction will be critical to minimize the loss of life.

Since most of this responsibility will lie with local and state Governments this is a good example of directly involving local sponsors and other local agencies in the planning process would yield good benefits.

Seven, address the problem with low property value communities not able to compete with high property value communities and identification of the Federal interests.

This is an important issue that needs to be addressed primarily in urban areas. Local sponsors recognize this as an inherent problem with using only the NED approach to identifying Federal interest.

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Other options for measuring benefits such as the number of homes, or number of people are available.

Eight, involve NAFSMA and other local sponsor organizations in the development of the procedures. Even though including collaboration, risk informed decision making, and watershed planning into the planning process are good ideas local sponsors are very concerned this will add more time and cost to a process that already takes too long and costs too much.

The fundamental Lean Six Sigma principle is that more reviews and added steps decrease productivity and lower product quality. Local sponsors want to work with the Congress and the Corps on the procedures and planning process to reduce the current load on human and fiscal resources and increase the chance of identifying а project that communities can support and afford.

In closing I'd like to say many

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1	stakeholders, organizations and other
2	concerned parties will have good
3	recommendations and legitimate suggestions for
4	revising the principles and standards. On
5	behalf of your partners, the local sponsors,
6	NAFSMA request that we have a chance to review
7	the draft principles and standards and make
8	comments before it becomes final.
9	Local sponsors are committed to
10	working closely with the Corps to use, comply
11	with, and help pay for implementing the
12	principles and standards. Only together can
13	we successfully reduce flood risk in this
14	country with appropriate regard to public
15	safety and community and natural values. And
16	thank you.
17	Do you have any questions to
18	clarify the recommendations.
19	(No audible response.)
20	MR. FITZGERALD: Okay, thank you.
21	MR. SIMMONS: Good morning. I

thank the Corps of Engineers for allowing me

to appear today to provide the views of the American Shores and Beach Preservation Association regarding the revision is what is commonly known as principles and guidelines or P&G.

My comments are an abbreviated version of ASBPA's written comments which will also be submitted today. Actually I think they may already have been submitted.

Founded in 1926 the American Shore and Beach Preservation Association represents the scientific, technical, and political interest along America's coast in an effort to shape national research and policy concerning shore and beach management and restoration.

I am the president of ASBPA as well as mayor of Caswell Beach, North Carolina where we have an ongoing general reevaluation report to improve our shoreline and thus protect the towns of Holden Beach, Oak Island, and Caswell Beach.

As many of you know ASBPA has a

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long and successful history of working with the Corps to develop and implement policies, projects, and programs that advance the Corps civil works mission as well as reflect the associations goals to preserve America's coast.

A key element in this joint effort has been the P&G as the basic foundation for many of the Corp efforts and our interest. While ASBPA feels that there is improvement to the P&G the association also recognizes that the effectiveness of the P&G in its current form has permitted the Federal Government and non-Federal sponsors to partner projects important that reflect the interest of the nation and of local and regional stakeholders.

The P&G has established a clear set of parameters for determining project worthiness, but it also allows for enough flexibility for formulation of projects that provide for economic, environmental,

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recreational, and national economic development benefits.

It is ASBPA's hope that the proposed revisions will maintain this balance between set parameters and flexibility.

As the Corps moves forward with revisions ASBPA agrees with Secretary Woodley's decision that the initial phase of the effort focus on the standards that underlie water resource planning for Corps civil works projects.

existing standards found The chapter one of the current P&G described the it should be used to planning process as produce sound recommendations and decisions. ASBPA's first recommendation is to adopt revisions to the P&G that promote the use of regional or watershed management into planning, design, construction, operation, and maintenance of projects.

The current civil works strategic plan which has been endorsed by OMB embodies a

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watershed approach. The P&G should be revised to clearly reflect this approach. Regional or watershed management is a systems approach to formulating and managing water resource It applies to the planning and projects. well design of projects as as their to construction, operation, and maintenance.

region Planning projects by facilitates collaboration with state and local Governments as well as other stakeholders. opportunities improve the encourages to effectiveness of projects, reduce their longintegrate projects costs, and that otherwise would be treated as disparate elements of different Corps business programs.

ASBPA's next recommendation is that the revised P&G emphasize the importance of collaboration with non-federal sponsors, other Federal agencies, state agencies, local Governments, and tribes as the norm in the formulation of water resource projects.

Different perspectives and a more

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comprehensive discussion and evaluation of complex problems interrelated concerns and potential projects are more likely to occur with a collaborative approach.

In addition to the public stakeholders when appropriate, private organizations or private stakeholders should also be included in the collaborative process.

The Corps should take advantage of it's unique planning capabilities to move beyond just the Corps interests and embrace solutions that reflect the full range of the Federal and non-federal interests. In the revised P&G this collaborative approach with other Federal agencies as well as with state, regional, and local interests should be strongly encouraged especially for complex studies with multiple issues and needs.

I must add though that both the watershed and collaborative approach recommendations I have just mentioned add time and cost to the planning process. While these

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factors cannot be addressed in the revised P&G, Federal policy makers need to provide sufficient funding to enable the watershed and collaborative approaches.

Rest assured ASBPA will continue to advocate before Congress for the highest possible funding amounts for policies that will preserve programs and protect America's coastlines and promote our counties water resource needs.

ASBPA's third recommendation encourages the Corps to include revisions that implement multi-objective plan formulation.

First, projects should be formulated to maximize all national and regional economic development benefits, environmental benefits, and social benefits with a strong emphasis on public safety.

Second, such formulations should be based on the standards set forth in the revised P&G without regard for administration budgetary policy. The current P&G includes

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four accounts to be used in evaluating water resource projects: national economic development, environmental quality, regional economic development, and other social effects.

However, the current P&G formulates projects for the single purpose of maximizing that national economic development benefits.

ASBPA recommends that the revised P&G build on longstanding Congressional policy as well as the needs of our contemporary society and require that all appropriate national benefits be included in the formulation of water resource projects.

Shore protection projects should be formulated to maximize all national benefits on an equal basis including recreation benefits, environmental benefits, as well as public safety benefits, and other social benefits.

The optimized plan should be identified and provided to Congress. For many

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years administration policy has placed a low value on recreation benefits. Not to mention the low value it has placed on providing protection for America's coast.

The administration could still Congressional recommend а lesser plan for authorization based on administration budgetary policy, however Congress would then have the opportunity authorize and to therefore fund the more comprehensive plan with greater net benefits to the nation.

In addition, given the difficulties in assessing the weight which should be given to some project purposes ASBPA recommends that flexibility the revised P&G permit in evaluating those purposes, but continue require full disclosure of any risks or uncertainties that may be associated with the proposed project plan.

Additionally water resource projects are formulated using various models which predict project output such as

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environmental benefits. Actual outputs must be carefully monitored to ensure they actually realized. In as much as the project may perform differently than predicted by the management model, adaptive should be incorporated into plan projects to periodically evaluate a projects performance and provide an opportunity for adjustments if necessary.

ASBPA's fourth and final recommendation is to encourage certification and use of planning models. P&G should be revised to support the current certification initiative to carry out а review, improve, and validate process to analytical tools and models for Corps business programs.

The expectation is that certified models used to support planning studies in the future will be accepted by independent technical reviewers. It is ASBPA's recommendation that once acceptable planning

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certified non-federal 1 models have been sponsors will no longer have to participate in 2 the cost of model development or certification 3 4 for individual projects. aqain thank the 5 Ι Corps allowing me to appear here today. **ASBPA** 6 7 appreciates the opportunity to provide this important matter 8 comments on and welcome any questions or comments 9 you 10 have. Thank you. MR. morning **BURNS:** Good 11 My name is John Burns and I'm a 12 Senior Advisor Associates, 13 at Dawson & representing our client Tierra Solutions. 14 It's a pleasure to be here with you 15 16 this morning to talk about this important initiative and we welcome and applaud your 17 leadership in moving so quickly on this Mr. 18 Secretary to get this done. 19 The P&G is an excellent document 20 and the P&S has served the nation well for the 21

past two and a half decades since they were

enacted by President Reagan in 1983. But due to changing circumstances and priorities they are in need of updating as you and General Riley have indicated and many of the speakers today.

We've reviewed the principles and standards based on our experience in the Passaic River restoration project. And based on that we have several recommendations that we would like to present to you.

Our goal in making these recommendations is to achieve a costeffective, comprehensive solution for restoration of the Passaic River.

I guess the advantage and disadvantage of going last is most of your recommendations have already been discussed in a lot of detail, so I'll be a little brief and just basically state the objectives rather than go into the background of them.

Our first recommendation deals with the single purpose planning objective of

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national economic development. And like the many speakers before us we are also very supportive of expanding the principles and guidelines to include ecosystem restoration as a co-equal planning objective.

We're also very supportive of collaborative multi-objective, comprehensive watershed based planning. We think that is really the way to go and as General Riley indicated and Mr. Prather, you're already looking at many of those activities.

also know Second. that we principles and standards does not acknowledge health human and safety as а relevant objective and many of our -- the speakers before me have indicated the importance of We find that also important that. in the Passaic River and recommend that human health and safety be treated as a co-equal objective in the principles and standards as you move forward with it.

Our third and final area, one that

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may not have been discussed so far is the use of incremental analysis. Traditionally in our analysis incremental analysis is verv important particularly for economic our But when we combine that with outputs. ecosystem or health planning or water quality planning that tends to be standards based and tends to be treated as a constraint on the planning process rather than as a target or objective to be incrementally moved towards with cost for these incremental changes, traded off against costs given up in other areas.

So we would recommend that the principles and standards be revised to encourage expanded use of incremental analysis and not standards or targets that must be set as constraints on the planning process.

Mr. Secretary again, thank you for your leadership and the opportunity to speak.

P&G has served us well for the last two and a half decades and the work you're doing from

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1	here on out hopefully will chart the course
2	for the next two and a half decades. Again,
3	thank you so much. I appreciate the
4	opportunity.
5	FACILITATOR APOSTOLICO: We've only
6	had one wait list person so I'm going to ask
7	David Conrad if he'd like to come forward.
8	National Wildlife Foundation Federation.
9	MR. CONRAD: Thank you, gentlemen.
10	Good morning my name is David Conrad. I
11	serve as Senior Water Resources Specialist for
12	the National Wildlife Federation in
13	Washington, D.C.
14	The Federation is the nation's
15	largest conservation education and advocacy
16	organization with four million members and
17	supporters across the nation, affiliate
18	conservation organizations also located in 46
19	U.S. states and territories.
20	We are pleased to be here today at
21	the beginning of a process that we have long
22	believed was critically needed, the revision

the planning process for water resources development. It has been more than a quarter century since the principles and quidelines have been revised. The Federation was deeply involved in past iterations of both principles and standards and the P&G and we come to see а substantial need for modernization of these rules as well overdue.

We also helped lead, along with other conservation, civic, tax payer, and professional organizations over the past decade in seeking many of the policy reforms that were included in the 2007 Water Resources Development Act including Section 2031.

We see this as one of the most profoundly important exercises that the Corps and other Federal water resource agencies will be involved in.

One, because we believe the current system is failing to responsibly address the nation's current and water resource needs.

And two, to help reset the critical direction

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of our nations water resources for the next 30 to 50 years.

Today we are submitting written comments and suggestions on behalf of the Federation as well as 36 other national, regional, local conservation organizations.

I would like to address first concerns about the revision process as it has been identified thus far. Second, expectations and context we see surrounding these revisions. And third, some of the basic principles we believe should be at the heart of new revisions as they are being developed.

Mr. Secretary, our first and most immediate concern is that from what we see, in the description of the May 8th Federal believe process Register, we the is unacceptably truncated and seriously lax the thoughtful analysis open and and deliberation believe is we essential to accomplish these WRDA the purposes of provisions.

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1 Wе urge that this process substantially modified with much more time 2 allotted, especially at the front end for 3 studies and inquiry and consideration 4 communication that is essential. We are quite 5 concerned about proceeding to rule changes 6

8 problems has been developed.

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before

It has been 25 years since the P&G was first established as a replacement for the Since that time P&S. the nation has experienced huge changes in our economy, environment, and our water resources needs. The demands being made on our water resources have changed and have increased substantially and continue to increase and change while many ecological critical systems continue alarmingly to decline.

record on

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underlying

We believe the these changes mandate a fundamental transformation in the direction of the P&G. A transformation that was clearly recognized by Congress in WRDA

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the Congress In WRDA set new projects with important policies for WRDA clarifications that all water projects should reflect national priorities and encourage economic development and protect the environment by seeking to -amonq things maximize sustainable economic Avoid the unwise use of flood development. plains. Minimizing adverse impacts and vulnerabilities, protecting and restoring the function of natural systems, and mitigating any unavoidable damage to natural systems.

This new national policy will require the Corps projects place a significantly stronger emphasis on protecting healthy rivers, flood plains, wetlands, coastal environments that protect and sustain communities.

In mandating the P&G revision we also believe Congress contemplated a full and open and comprehensive deliberative process.

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It has directed the Corps to consult with all the other Federal agencies involved with water management and water experts and the public. And allow two full years for that undertaking.

Congress specified that revised -that the revised P&G explore and utilize new approaches and methodologies. To properly implement of these policies any new approaches will require a careful evaluation current methods of planning evaluation, a review of the provisions of the existing P&G that would work against the new policies development and of clearer view of the nations future water consensus especially with needs the added resources factors of increasing impacts of urbanization and growing threats of climate change.

In addition to that the new P&G will have to assist in prioritizing and field of winnowing the legitimate Federal projects due to an unprecedented 80 billion dollar various estimates backlog,

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growing rehabilitation needs, existing environmental problems, and increasing environmental problems, and extremely limited funding.

Against this backdrop our conservation organizations believe the current proposed plan to release draft revisions in a few weeks fails to provide for the open deliberation that is necessary to the revision process.

We are concerned that the truncated relatively closed process will of evaluations narrow the scope the and considerations that for are essential producing the next generation of P&G.

We are also concerned that the stated plan to separate the principles and standards section from the remainder of guidelines will perhaps improperly bifurcate consideration of basic elements that are best considered together.

These concerns are even more

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pressing as we understand the Secretary -- we have heard that the Secretary has already delivered a draft of proposed revisions to other Federal agencies without advanced opportunity for input and very little time to respond with comments.

Sound revisions to the P&G will necessitate a clear understanding the resources overarching water issues and challenges currently facing the nation. And an understanding which needs to be developed and tested as part of this revision process will almost assuredly require a commission of key studies and require the engagement of a broad range of experts, academics, economists, scientists, and other Federal agencies, Governmental entities, and the public as case with the previous the P&S and P&G formulations.

For instance, we would urge the Secretary to study and report on why so few non-structural project formulations have

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emerged from the existing P&G process and what changes are needed in the P&G to limit the overestimation of traffic during feasibility studies compared with actual subsequent experience.

The process must also ensure adequate time to address and discuss numerous problems with the P&G and planning processes that have been identified in reports issued by the National Research Council of the Academies, National the Government report Accountability Office, the Department of the Army Inspector General and others.

These important steps clearly accomplished in the approximately cannot be month before moving draft and one to а comments stage contemplated in the current We strongly urge the Secretary to schedule. take the fullest possible advantage of this important and long-awaited opportunity by formulating a well designed, open, thoughtful, deliberative and process inform the to

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We would also urge that the effort

-- and this is a comment that I think some

others have made at this point -- also urge

that the effort be fully coordinated and

integrated with other Federal water related

programs and formulated so that they can be

easily adopted on a uniform basis by other

resource agencies at some point in the future.

It -- well on the substance our organizations believe that the nation requires a fundamentally new approach to water resources planning that places the primary emphasis on project planning on protecting and restoring the nations water resources.

Such a shift is necessary because for decades we have focused almost exclusively on economic development while the ecosystem functions and the environment have been allowed to seriously deteriorate. Today this condition is undermining the long sustainability many critical natural of

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resources. This can in part be linked back to the P&G and how it has been implemented.

While these approaches have produced some positive economic benefits for the nation, they have also caused significant damage to the nation's rivers, streams, wetlands. This in turn has caused major and significant damage fish and wildlife, to increased flood risks for many communities, reduced water quality, impaired recreational opportunities, and damaged economies that rely on a healthy environment.

Transformation of the nation's rivers brought about by the Corps and dredging projects are among the leading reasons that the North America fresh species are disappearing five times faster than land based species, and as quickly as rain forest species. Indeed the damage is so wide spread that the natural resources or National Research Council has called establishment of a national goal to restore

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riparian functions along American rivers.

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The current approach to project planning is not ensuring protection of the environment despite the Corps explicit environmental protection mission. And specific environmental mission programs and projects.

То the contrary National two Academy of Sciences panels and the Department of the Army Inspector General have concluded that the Corps has an institutional bias for approving large and environmentally damaging structural projects and that it's planning process lacks adequate environmental That would be a third area that I safequards. think a focused inquiry into makes good sense. Those are findings from outside entities that the Corps needs to look internally to find out if it's true and why and identify that as an explicit out-front finding to inform this process.

I think too many of the studies

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1	that have been done have been done by outside
2	the Corps entities and part of the job here to
3	is to work with the Corps, have the Corps be a
4	major player in identifying where these
5	weaknesses may be.
6	All right, stop.
7	FACILITATOR APOSTOLICO: Last
8	comment.
9	MR. CONRAD: Okay, I'll just say we
10	can no longer afford the status quo or some
11	minor amendment of the status quo approaching,
12	approach to the planning process. A healthy
13	future demands fundamentally different
14	approaches to project planning based on at
15	least the following principles.
16	Maintaining and restoring the
17	health of our nations rivers, streams, and
18	wetlands, and the many ecosystems services
19	they provide should be the highest priority
20	for project planning.
21	All projects must be designed to
22	work with and maintain the integrity of

natural systems including a river's natural instream flow to the maximum extent possible.

No project should be proposed or constructed unless it has been fully and comprehensively evaluated to ensure that the project will not put the public at risk.

No project should be proposed or constructed unless the Corps has fully and independently analyzed, evaluated, and properly defined the problem that needs to be addressed.

In many cases we've seen examples where the definition of the problem was really a local definition. The Corps has a responsibility of looking at it -- these cases from a national perspective. So that needs to be looked at carefully in this process.

If a portion of a problem could be addressed through non-structural approaches then any further study should include those non-structural approaches as the first mandatory elements in any plan recommended by

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the Corps and simply -- and similarly no structural project should be constructed if a non-structural approach would solve the problem.

Two more points. Projects that encourage development in undeveloped flood plain areas should not be considered This is a standards issue and we constructed. have the -- we currently have a P&G which has very few standards. I think that -- well I would challenge this exercise to begin to try to identify some standards that will help with these principles.

Future trends should be used to justify economically project only if а projected future trends is based on established and demonstrated current trends and are projected only for limited periods into the future.

Okay, well we believe that the nation requires a fundamentally new approach as I've said that places the primary emphasis

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on protecting and restoring the nation's water resources.

We urge that the revisions to the P&G produce this vital shift and that the Secretary establishes a full and open process for ensuring the most effective revisions to this long-outdated P&G. Thank you.

FACILITATOR APOSTOLICO: I wanted to let everyone know the schedule. What we're going to do now is take a short break and then we will have anybody who hasn't had a chance to speak and you'd like to please sign up on the wait list. And then we're going to open the phone line up.

So those of you on the phone line,

I know you can hear me. Could you please

notify the operator if you'd like time to

speak and we will allocate time for the phone

line after the break.

I'd ask that everyone be back at 10:45 a.m. to start back after the break. That should give everyone enough time to check

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1	those cell phone messages. Thank you.
2	(Whereupon, off the record from 10:22
3	a.m. until 10:45 a.m.)
4	FACILITATOR APOSTOLICO: I've had
5	numerous questions at the break about
6	transcripts and comments that have been turned
7	in.
8	We have two transcribers and it's
9	our understanding that we should have the
10	transcriptions and be able to post them by the
11	end of next week, that's an anticipated date.
12	Secondly, comments, those will also
13	as long as no one objects your comments,
14	your written submitted comments will also be
15	posted on the Army Corps website and you'll be
16	given a link to that or access to that.
17	MR. PRATHER: If they want their
18	email address here we'll notify them where
19	they can find that posting.
20	If you want to be notified where
21	the posting is make sure we have your email
22	address. So or a telephone number that we

-- I guess we'll have to publish that by email where it is so please leave your email address.

FACILITATOR APOSTOLICO: And I know a few people entered during -- while the session was going on and not everyone signed in. As we said, please sign in so there's a record of you being here and also so that we can make sure you get any updated information that's released.

The telephone -- there's no one on the telephone that would like to make comment at this time. So we have two speakers left this morning, Dr. Dickey and Chad Berginnis. So --

MR. DICKEY: Good morning gentlemen. I appreciate the opportunity to speak to you. I am speaking on behalf of myself. Many of you know I'm involved in many little activities serving many masters. I'm also a professor of economics at Loyola College.

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And Ι want to speak from my perspective as having had long involvement in the P&S. The first thing I did when I came to work for the Department of the Army was work producing the first version on of principles and standards in 1973.

So I've been through it all three times. First of all I -- you know the same themes of course keep coming out. We could have had this meeting in 1973. And I think one of the things that one needs to keep in mind is be careful what you ask for because you may get it. And then that becomes the issue of complexity.

The last P&G was the product of the Reagan Administration and one of the great motivations was that the previous versions of the P&G previous version was simply too complicated. It had too many requirements and it specifically had arbitrary requirements which drove people crazy.

And so be careful as I said -- as

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you add objectives and so forth. It is good to add objectives, but don't require an EQ plan when ecological restoration is really not the issue. That if you do do that you create a lot of resentments. People don't want to pay for that. It makes the planning process terribly complicated.

I remember in the Carter P&G we required to have primarily were а structural plan. Well nobody could really figure out what a primarily non-structural for commercial navigation. The was problem was people wanted a deeper channel and it's just hard to figure out how you could realize the navigation benefits that come in -- and so, you know be careful again that you don't impose arbitrary requirements as you add objectives and as I said there's always a cost to everything. There is no free lunch and adding more objectives complicates what already a very complicated planning process.

Ecosystem restoration, I'm sure

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what I have to say won't be popular with a lot of people for various reasons. One is that ecosystem restoration has to be viewed in the context of climate change. And we really -- as we look to shifts in ecosystems and movement of species and so forth we really have to ask ourselves what does ecosystem restoration mean, okay.

It doesn't do any -- if you focus on restoring habitats for species and so forth, species that aren't going to be there when you're finished because the move, you know. They move North, or whatever.

So the other aspect of climate change is in the case of navigation planning. I just finished participating in a National Transportation Research Board panel that dealt with navigation, transportation and climate change and one of the things that became clear to me is that as a result of climate change, if the kinds of predications come true that seem to be most likely, there will be opening

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of the Arctic routes, there'll be changes in crop distribution patterns. All of that has tremendous implications for the kinds of benefits that are associated with navigation improvements, whether they be deep water or inland systems.

And so I think that -- that may be an issue at the level of procedures perhaps. But I think the concept of when you talk about people, they say well I've got to incorporate climate change, I think you have to -- I think it has big implications for what we -- for this concept of ecosystem restoration.

I would also remind folks that ultimately these projects have to compete in the budget process. And every report, every plan has to contain the information that's going to allow them to successfully compete in the budget process. It doesn't do any good to do a study that's not going to ever be budgeted.

The other point that I would make

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is that the planning guidance is just one element in producing a good plan. That my experience in the context of many objects is that there's very little connection between what is actually done in the planning process and what the guidance plan -- the guidance directs be done.

And certainly that became clear to me when I read the history of the New Orleans project, the report that was done by Leonard Shabman and Woolley on the history of the planning of that project. And certainly my own experience in working on the Everglades suggested there's very little connection to what the written guidance is and what planners actually do.

don't look So to changes and particularly at this level of the P&S produce the kind of results or improvements, however you may define them that you anticipate.

Good project planning is much more

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than just issuing planning guidance. Unless that planning guidance is complemented by the right kind of incentives whether they be costsharing incentives or management incentives you're not going to be getting the kinds of plans that I think many people think we ought to get.

And I just would close by saying that I gave some of you and I have a couple of others here. This is a little pamphlet I produced on the P&G. I tried to get the Corps to put it out and I couldn't interest anybody in it so I just put it out on my own.

And it's about the P&G. The P&G is a really powerful and sophisticated planning framework. It's the best around really, okay. So what we're talking about are really marginal adjustments to a very sophisticated notion.

You know there are very few planning frameworks which have a consistent stance. Where you account for all the

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benefits and cost. 1 Where you begin on the as Larry said, that you don't 2 presumption, presume that something needs to be done, okay. 3 That everything that comes out of 4 the Corps planning process should be based on 5 a incremental justification. There should be 6 7 a rationale for everything and that's a really powerful and different kind of approach to 8 problem solving. 9 10 And think we need to SO appreciate you know the qualities of what we 11 have already as we proceed to indeed modify it 12 to respond to our modern understanding and 13 14 modern values. Thank you. Good morning, 15 MR. BERGINNIS: name is Chad Berginnis and I am representing 16 the Association of State Flood Plain Managers 17 on this particular issue. 18 Association of State Flood 19 20 Plain Managers have established a lona mutually beneficial relationship with the Army 21

Corps of Engineers and other Federal agencies.

1 Our 12,000 members represent all facets of Government especially at the local and state 2 levels as well as the private sector. 3 The state and local Governments are 4 really the Federal Governments partners when 5 it comes managing and protecting the 6 to 7 nation's water resources. ASFPM fundamentally believes 8 that the Congressionally directed review and 9 update of principles and quidelines 10 underway ranks as among the most significant 11 activities related to water resources 12 have been undertaken by the Federal Government 13 in the past 30 years. 14 Coincidentally we also face some 15 unchartered territories in terms of explosive 16 growth in population and also the limits of 17 what our natural resource systems can support. 18 To meet these challenges head on will require 19 20 bold and imaginative adjustments today. In the P&G, just like the last 21

speaker had mentioned is certainly one of the

most sophisticated techniques around and tools that are out there. In my day job so to speak I work with the State of Ohio and work with FEMA mitigation programs and I can tell you, that from a project planning perspective and from a comprehensiveness in terms of evaluation the Corps process through the P&G is something certainly the most sophisticated that's out there.

My first comment that we have is the ASFPM is in terms of this particular We urge that the revisions to the P&G be accomplished in a deliberative and open fashion. From our perspective the update process appears to be on a fast track with insufficient time allotted to shape and deliberate carefully about the proper course of this revision.

We're concerned that the release of any Corps proposal this summer may derail an open and deliberative process that could lead to an overly protective stance that would

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limit open discussions.

Before any such release we do believe that there is a need to assess and come to consensus on a list of overarching issues and perhaps commission necessary investigation to shape these recommendations.

We're not an organization that promotes an over study of issues, but a revision of something this fundamental and significant such as the P&G should not be rushed.

Because the revisions contemplated now clearly will guide water resource decisions for 30 to 50 years in the future, simplistic modifications will not be in the nation's best interest.

Next I'd like to at least recognize our national accomplishments, unintended impacts to national priorities. For the last 75 years the nations invested in water resources in order to expand human populations from coast to coast. We've developed along

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and with our water resources and this policy has allowed our nation to leverage a seemingly infinite water resource base to influence where and how the population settled, expand, and support security and wants for most regions and help the U.S. to a super power status during the 20th century.

As a nation we have reached divisions set forth by policy makers of the early 20th century and I think we can declare ourselves successful in this achievement.

Now it's time to realize that this success has brought unintended but significant consequences. Once abundant water resources such as estuaries and riparian zones have paid silently for the progress that today and many are in serious decline.

Too often we as a nation have facilitated keeping communities at risk while giving insufficient consideration or allowance for alternative approaches that might improve long term public safety and economic

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sustainability.

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As a nation our collective values and priorities have changed over time. The cumulative results of growth and development have led to a noticeable degradation of the environment by the 1970's and in response many environmental laws were passed.

When P&G were being developed in early 1980's we were still trying digest these laws and determine their impact not knowing what adjustments might need to be made in the future. Since then there's been a growing recognition of the importance of a healthy global environment, the extent which functions natural of regional ecosystems affect the human communities that rely on them, and then the necessity for protecting those linkages in order to ensure individual well-being.

The sense of manifest destiny that accompanied the nation's growth base has now been replaced by national dialogue about

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maintaining our existing communities and an acute awareness that investment decisions must be made in a more strategic way.

We now need to think of our water development of resource in terms sustainability. We have an awful lot infrastructure that's out there. An awful lot of it that's aging and we simply will not have the resources to fund all of the priorities that we have in the future.

So in terms of adjusting the course how might we do that. We first would suggest that we adopt a more strategic approach. will require establishing elements not currently found in our water resource investment tools. Broad national goals that collectively will make a difference in the long term sustainability of our society and give priority to those projects and approaches that best meet these goals.

Sustainable actions and the ability to adapt to a rapidly changing world should

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become the cornerstones of our next policy paradigm. They must take precedence over pure investment mind set of the 20th century.

For the first time we would be moving from an era of harnessing abundant resources into an age of creatively managing limited resources for an ever-growing population.

refocusing Tn terms of the principles and standards couched with framework and goals that promote sustainable adaptive projects and the **ASFPM** urges consideration of the following accounts in a ecosystem restoration, public revised P&G: social effects, environmental safety, other quality, and national economic development.

However, unlike current P&G procedures NED would not be the account that drives decisions; rather it would be at most co-equal with the other accounts.

As demonstrated in recent disasters maximizing short-term economic gains can

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result in the loss of life and personal ruin that can cripple an entire region. Attempting to blend and monetize these impacts through a single economic analysis might lead to a number, but this number does not speak to the tradeoffs made in the decision making process.

Many of the qualities, functions, and resources that were thus traded off are irretrievable and their loss has a permanent impact on our nation.

What's more, there are significant and unaccounted for investment costs lying further down the road when it is finally and publicly acknowledged that such natural resources are in peril whereupon restoring degraded areas if that's even possible becomes a national priority.

How much could we have saved, if as a nation, at the out sets water resource development projects, such as the Florida, Everglades, or coastal Louisiana had been planned and designed within a framework in

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which environmental quality and resource protection were at least equally important as NED. Perhaps it would have been necessary to spend the billions of dollars now required to restore these ecosystems.

A public safety and other social effects account is likewise extremely important because we are now in a dangerous path of which there is no minimum safety threshold for flood loss reduction projects.

A public safety and other social effects account needs to incorporate the concept of a minimum safety standard for water resource projects.

For example, minimum design standards for levees and dams or safety and terrorism related measures for transportation features such as navigation structures.

Similarly other aspects of the that account that need to be developed more thoroughly. Our society now places great value on community cohesion, historic

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preservation, social environmental justice, long term health impacts from disasters and similar attributes, but there's really been very little research and development and therefore guidance on the other social effect accounts.

Our investment decisions for the 21st century must focus on prioritizing what we need to accomplish with the funds and energy we dedicate to our water resources.

Economic development and growth is but ASFPM cautions that continued important focus and inevitably will NED has led unsustainable continue to lead to and expensive attempts to manage our water related resources and hazards.

In conclusion, we must acknowledge that we have leveraged virtually all of our water resources to promote development and this has taken place at a significant and perhaps unjustifiable cost to our water based ecosystems and to public safety. Correcting

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this imbalance is a critical priority to the
nation in the 21st century. The decisions
being made as part of the process of an
arising P&G will effect our water resource
investments for the next 30 to 50 years. This
is the time to move forward towards goal-based
outcomes. It's the time to have a national
discussion about the nation's water resources
and economic policies and it's the time to
rectify the imbalance in the accounts that
drive decisions about how our nation's water
resources will be managed in the future.
The ASFPM stands ready to engage in
cooperative discussions about revisions to the
P&G. And thank you very much, that concludes
my statement.
FACILITATOR APOSTOLICO: We have
one more speaker.
MR. VANLENT: My name is Dr. Thomas
Vanlent. I'm here on behalf of the Everglades

like to offer comments on the principles and

Foundation and the Everglades Trust.

And I'd

guidelines directed under WRDA 2007. These revisions are long overdue and we think it's imperative that the new principles and guidelines reflect the values and concerns of a majority of Americans.

The Everglades Foundation and the Everglade Trust are on the front lines as it where of the restoration of one of America's premiere natural resources, the Everglades.

And so we're acutely aware of how these principles and guidelines effect how we do business on a day-to-day basis.

have seen how past misquided policies resulted have in enormous environmental damage and the curation environmental quality that will require investments of many billions of dollars to rectify. We've also seen how these guidelines stymy genuine Corps well intentioned efforts and environmental restoration. So we would following like offer the constructive criticisms on how these can be improved.

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The first is just the principles quidelines recognize and must that environmental restoration and enhancement of environmental quality are valid objectives for water resources projects. The current economic development doesn't do this. Yet it's certainly the Everglades experience shows how Congress has directed the Corps on several occasions to undertake projects primarily for the environmental benefits.

So this also acknowledges that in the future the Corps portfolio of projects is likely to include more and more projects whose primary benefit is environmental restoration.

Secondly, we'd like to see the principles and guidelines to include a watershed approach. This is pretty basic water resources planning. Most states have tried to incorporate this type of approach.

The State of Florida for example, has enshrined this principle into their water law and is one of the fundamental planning

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criteria they use. They set up water management districts on watershed boundaries.

The Corps piecemeal project by project approach doesn't work to analyze all the potential impacts of the project.

Next Ι think the principles quidelines should recognize that planning and implementation are collaborative projects with other Federal and non-federal organizations. And the Corps role may depend upon who the As an example, again in other partners are. the Florida Everglades, soft а management district who are the non-federal sponsors, and I see а representative here representing them, so pleased to see that. They often times have planning and technical expertise that in many ways might exceed the Corps on some local projects. And success in these projects depends on each partner contributing their strengths, not duplicating each other or forcing one planning model to take precedence over another.

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Lastly, we think the principles and quidelines should acknowledge the procedures associated with the principles and quidelines to reflect the range have of policy objectives. There's not going to be a size fits all set of procedures that are applicable to every single type of resources project.

Again, I'll use the Everglades as an example. WRDA 2000 mandated that Corps developed the programmatic regulations which implementation of the oversee the Comprehensive Everglades Restoration Project, and these are an excellent example of how the policies either tear off the principles quidelines that are well suited to the implementation of a specific type of project.

So the principles and guidelines should get away from the one size fits all procedures document and recognize that there's other ways to do things depending on the project objectives.

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1	So we recognize the sincere the
2	extreme importance of these policies and
3	guidelines and think that this is a great
4	opportunity for the Corps to update not only
5	these principles and guidelines, but make them
6	reflect your mission that reflects the current
7	national priorities.
8	So thank you very much for your
9	consideration on this important issue.
10	FACILITATOR APOSTOLICO: That
11	concludes everyone who was signed up to speak
12	for this morning's session. Was there anybody
13	that for some reason didn't get a chance to
14	sign up and would like to speak?
15	(No audible response.)
16	FACILITATOR APOSTOLICO: Anyone who
17	felt they didn't get enough time and would
18	like to add any additional comments?
19	(No audible response.)
20	FACILITATOR APOSTOLICO: Wow, easy
21	crowd.
22	MR. PRATHER: Mary?

1 | FACILITATOR APOSTOLICO: Yes?

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MR. I would like PRATHER: recognize that been joined we've by Gallehon from the Natural Resources Conservation Service who's serving as one of Federal representatives today, and Noel that's for being here.

FACILITATOR APOSTOLICO: Okay, before I hand over the mike to Secretary Woodley to make a few remarks I just want to remind everyone that we will be reconvening at 1:00 p.m. And so there will be a new lottery at 1:00 p.m. to open up public comment again. And Secretary Woodley?

SECRETARY WOODLEY: Okay, thank you Mary. My only purpose in speaking up at this point is to express my profound appreciation for all of the comments that have been received today and to assure you that there will be every opportunity that the time that we've been allotted will provide to accept further comments and my request -- and I can

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tell you that if the comments that we continue to receive going forward are of the exceptionally high quality as the one's have been privileged to hear today then it will job much, much easier make mУ Ι evaluate the proposals that brought are forward in the course of this procedure, of this revision process that we have.

And so I'm very, very grateful to everyone who has come out today and would encourage you to continue to participate and to -- there's no idea that we're closing any here today whatsoever. Wе further continue to hear comments as we proceed with the drafting process. So thank you very much for coming out today. And thank you Mary for your help today.

FACILITATOR APOSTOLICO: Okay, that's going to conclude the morning session and we will reconvene at 1:00 p.m. today. Or the lottery will close at 1:00 p.m. today for the afternoon session.

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1	(Whereupon, off the record from
2	11:17 a.m. until 1:00 p.m.)
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12	A-F-T-E-R-N-O-O-N S-E-S-S-I-O-N
13	1:00 p.m.
14	FACILITATOR APOSTOLICO: Good
15	afternoon and welcome to the public meeting to
16	hear suggestions from the public for revision
17	the economic and environmental principles and
18	guidelines for water and related land
19	resources implementation studies.
20	My name is Mary Apostolico and I'm
21	with SRA and I'll be facilitating this
22	session. I just wanted for those of you

that weren't here this morning I'll briefly go through the logistics of this afternoon.

Anyone who wants to speak please just sign up on the sign-in sheet.

We've done a lottery of order to speaking. We have two speakers signed up so far. Excuse me, we now have three speakers for this afternoon. Your name will be posted up on the screen and you can come up and speak. You have approximately ten minutes to speak.

This will be a listening session.

The purpose of the panel here is to listen to your comments and not engage into discussion of the comments themselves.

Just a few things to note. The proceedings are being transcribed to ensure your comments are documented correctly. Members of the press and others can listen to comments presented during this meeting via a teleconference and we will be opening the phone lines up for comment if anybody is on

1	the phone just please notify the operator that
2	you would like to make comments and we will
3	put you on the agenda.
4	And written comments for anybody
5	who brought them, written comments are due by
6	close of business today. You can send them by
7	email and the address is on your handout.
8	Are there any comments or questions
9	regarding the logistics for today?
10	(No audible response.)
11	FACILITATOR APOSTOLICO: Okay, I
12	would now like to introduce the Honorable John
13	Paul Woodley, Jr. Assistant Secretary of the
14	Army for Civil Works.
15	SECRETARY WOODLEY: Thank you Mary.
16	I want let me get my mike in place here.
17	I think I should it's only fair for me to
18	mention that I had to Don and I in fact
19	both had the privilege of going this past week
20	to the meeting of PIANC, which is the
21	Permanent International Association of

Navigation Committees which I'm the chair of

the U.S. section and Don is the president. And that meeting this year was in Beijing, China and Don came back a little before I did. I took the opportunity to spend a few more days in China with the conference and the upshot of it is that it is now 1:00 a.m. my time and so I'm not sure how interactive I could be even if that was our format.

But Ι will be listening carefully to everything that everyone says and I want to say that the purpose here is to gather ideas and input into the process that mandated by the Water has been Development Act to create a -- to revise the principles and quidelines applicable Engineers and create of Corps of а set principles and quidelines peculiar to the Corps of Engineers as required by the Water Resource Development Act of 2007 and that we are we take that responsibility very seriously and we will -- we are very anxious to maximize opportunities for engagement and

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consultation and receiving ideas in this meeting, in this session and hearing as we call it -- I don't think we styled it a hearing, it's a public meeting, thank you.

Ιt is just of one many opportunities that people will have to bring forward their ideas. We felt it was important to at least provide the opportunity for people to come forward in person and express their as to what direction these revisions should take and what themes we should stress forward with meeting qo responsibilities the under Water Resource Development Act.

So I have really had a wonderful session this learning. I learned an enormous amount and could really have a great deal of gratitude for the presenters from this morning and I know that the same thing will be true this afternoon.

I want to also ask that the -- or turn the meeting over to General Riley. You

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know Don Riley I've had a wonderful privilege of working with him for many years now, or several years now as his capacity of Director of Civil Works. Many of you know that he has very recently been promoted, or at least assigned a greater responsibilities of Deputy Commander of the entire U.S. Army Corps of Engineers.

him in So have here that we capacity and also together with us is Seven Stockton, Director of Civil Works our -- the little bit is undertaking а revision in how we are organized for civil works in that we're going to have the structure used to be that general officer was the Director of Civil Works and then the senior civilian was the Deputy Director. under our new concept we're going to Deputy Commander for Civil and another Emergency and then -- and Steve has already assumed duties of the Director of Civil Works, as the senior official within the Civil Works

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program itself.

So that's -- we do not yet have a decision from the Army leadership as to who will fill the other Deputy Commander position, but we're anticipating that hopefully fairly soon. But we're in the meantime delighted that Don can continue in the role that he has had in providing leadership in the Civil Works arena.

So Don?

MAJOR GENERAL RILEY: Thank you Mr. Secretary and we really appreciate your leadership over the many years and your position as well as certainly for this update of our principles and guidelines.

Well welcome again to those of you who attended this morning and several new faces this afternoon.

But these principles and guidelines go back to 1983. Congress just directed us this last year to update those and so we are -- there's three components essentially. The

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principles, standards, and procedures. So up front, in the beginning we want to lay the ground work for the broad values in our principles and standards. And then once we've established those directions then to tackle the more detailed procedures.

The -- as I said this morning it's been a long process of deliberation really since these are `83 principles. But in 1986 Congress gave us in Section 1135 of WRDA the ecosystem restoration mission which was a major adjustment to our direction and much different than the `83 P&G, so just three years later.

And then in WRDA 2000 Section 216 prescribed the National Academies to do several studies of our planning -- of water resources and since 1992, including those 216 studies we've had 18 National Academy studies that have provided recommendations to us on water resources planning.

If you look at our regulations and

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circulars we've incorporated many of those recommendations. So this has been a long dialogue and the of course since WRDA 2000 we've been in a pretty continuous dialogue about Corps reform and other descriptors like that where we have made adjustments to our regulations since then.

And then just since this last two years of National Academy of Public Administrators have studies on the budgeting processes for water resources planning. And certainly in this last WRDA in 2007 with the dialogue that went in preparatory to that and the guidance that's in WRDA prescribes much of the quidance that we've already incorporated.

And then you will see come out of this revisions in the principles and guidelines.

I mentioned this morning a quote fro Aldo Leopold's land ethic about as he talked about stewardship of land owners and how they ought to be good stewards of the land

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that they own. That essay the land ethic, in the last sentence of that says recognizes that development will continue, but he states that we should hardly relinquish the shovel which after all has its many good points. But we are in need of gentler and more objective criteria for its use.

So, I think that's applicable to the state we're in today. Looking for gentler and more objective criteria for our water resources planning in the Corps.

instance, public safety something that we'll incorporate. We'll also incorporate concepts of risk and uncertainty, given uncertain future and especially when dealing with ecosystems you're and water resources. And then systems as space, function, and time. Watersheds space, multifunction, multi-purpose projects and then time over the life cycle of a project. And then do that in a most collaborative fashion. you know the Executive Branch we're working on

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several different papers. We have one that we provided to other Federal agencies with some initial thoughts on how this, of principles and standards ought be to structured. So we're working that now for we'll have opportunities continued conversations certainly through the public comment period and then even after that as you stakeholders provide all of our us contribute to this.

The -- again as Mary said we're here to listen. We may ask questions to clarify anything if we have a question about understanding of your point. But our primary purpose is to listen to the public. Capture those so we can take those back and give it more deliberate and reasoned response rather than attempting to respond now peremptorily.

So with that I'll turn it -- I think now over to Mr. Larry Prather.

MR. PRATHER: Thank you very much General. We're pleased to see you all here

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this afternoon and receive your comments. And as General Riley said we have time for an ongoing conversation and we'll continue the conversation. But when we do have a draft out to the public I know it will be an opportunity then that people can come in and talk to me about that draft.

I wanted to just briefly recognize

-- we had more Federal representatives here
earlier today from the agencies and we have

Nick Marathon from the Agricultural Marketing
Service. They worked with us on the Users

Board and you know the `86 Act designated a

observer from the agriculture department and I

guess your boss is -- what your boss serves in

that role.

And we have Noel Gallehon from the Natural Resources Conservation Service here today and they work -- of course they are a wonderful resources agency that has undergone transformation just as the Corps has over the years.

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1	And we have Terry Breyman from the
2	Council of Environmental Quality that's with
3	us today here. I appreciate you being here.
4	Mr. Dunlop, Mr. Woodley's
5	secretary. We have a young lady from OMB back
6	there that remind me your name Elizabeth.
7	Okay, and we also have Ben Simon from the
8	Department of Interior Office of Policy and
9	Betsy Cody, she's from the Congressional
10	Research Service.
11	So, did I miss any Federal we
12	had others from interior here today. Other of
13	interior and we had Ben Grumbles who was here
14	this morning from EPA for about an hour.
15	So we're working with the other agencies and
16	they are interested in this.
17	So I'd just like to begin this
18	is background information to put this in
19	context. What we're doing here is working on
20	our planning process and the planning process,
21	the backbone of it is fairly simple and I
22	would not expect that that part of it would

change very much about how we approach that. I mean one of the complaints is that the 1983 principles and guidelines you know is x number of years old, 20 something, 25 years old. But this problem solving process, if you threw it out it would be sort of like saying the logic book was written in 1880 and we need to throw it away. You know this is just fundamental problem solving if you've ever been to a management class.

What it says is you find out what the problems are. You look at the context in which the problems reside and how they may structure the way you are going to solve those problems and then you formulate alternative plans and evaluate those plans against some -specified for some effects that are usually have to do with the criteria you're going to use to evaluate those, or choices among those plans. You compare these alternatives according to those effects and you select a recommended plan.

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So this is not a very revolutionary part of it. It does presume that you start preconceived out without notion any that anything needs to be done or what needs to be done assemble information and you in disciplined way to make a decision. That's all this says.

So that part of it I think you can expect it will look a lot the same when we get to end of this.

There were two manifestations of principles and standards they were called in the first two instances in 1973 in the Nixon Administration, and in 1980 in the Carter Administration. There were two principles and standards that were issued pursuant to the 1965 Water Resources Planning Act.

And you know there's a long story you could go into about how it got to where it is. But the first two of them had two objectives you know NED, National Economic Development, and EQ, Environmental Quality.

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And in the early 80's it determined about the time the that conversation was already going on about cost sharing that they decided that they would collapse that to one, want to focus on one objective and that would be National Economic Development, unless the Secretary granted an exception to choose some other plan. did provide flexibility to formulate plans for other concerns.

This is the project selection rule.

It just says basically that you pick the plan
from among the alternatives that maximizes

National Economic Development benefits.

The -- of course in it's original application plans wouldn't have been formulated for anything but getting economic benefits as a result of that. That story was put together.

Since General Riley mentioned the 1986 Act started this along the path of redressing places where ecologies had been

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degraded and that one was tied particularly to Corps projects, but as we moved along it was more and more interest in the Corps having a mission that was related to restoring aquatic And so as that came along through ecosystems. the 90's and particularly with the `96 WRDA with a big Everglades provision that set the stage for the Everglades report in `99 and then the authorization in 2000. The Kissimmee was one of those milestones, and this process unfolded and as it did we adapted to that even in the framework that we have in the `90, `83. And the Secretary has granted kind of blanket exception.

This is just a graph to show this is the idea that, you know we give up NED by spending money to invest, to get aquatic outputs, aquatic ecosystem outputs just to sort of notion that the thing would have normally would have run that we were giving up, you know NED where we were producing positive but among these alternatives we were

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in the positive -- we probably would have run along one of those axes and forgotten all about EQ, I guess that's what it amounts to.

Or we would have tried to mitigate for it to bring it back to that vertical axis.

So the Corps has the de facto adopted an ecosystem restoration as an objective. We pursued that objective now. And we modified the `83 plan selection rule that we know how to trade off environment and economics.

briefly So let the me say principles and guidelines have I'd say three conceptual parts. One of the principles and high statement of the level values and generally the decision rule about how alternatives in select pursuit of the objectives values. And then there's orstandards, which is the first chapter quidelines and these standards basically spell the pursuit in more detail out objectives, the planning process for doing

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that, the formulation of plans. It's basically the planning process in the first chapter of quidelines.

And then the balance of quidelines are detailed procedures that have to do with things like how do I measure benefits for inland navigation, orhow do Ι benefits for water supply, municipal industrial water supply, or flood risk management.

So our proposal is to take the two most fundamental pieces of this that reflect the values and the process for assembling the making decision, information and the the principles and the standards and to revise those. That will give us some direction about revising -- what we need to focus on in terms of better science and better tools, really procedures are a question not of -- less of values and they're more of a scientific or technical pursuit.

So first thing decide what's

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important and how you're going to make the decisions about what's important. Principles and standards, and then the next step is to revise the procedures. How we measure contributions to those objectives essentially.

So the first part will be revised, the principles and standards. We'll have a draft revision by the end of July, actually should be -- we hope to have one by the end of June, or the first of July. We hope to get there because we're on a fast track. NAS panel with panel -- we'll have a Jeffrev from the Jacobs Water Science Technology Board who was here this morning and we're contracting with them to carry out the consultation. Under the WRDA we're required consult with the National Academy of Science and that will be in early August and that will be a place where you can come and participate. And we're scheduled to complete in November.

So this is -- there will be more opportunity to have conversations on this and

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I'm very accessible. People know where I am, they can find me. If they want to talk about this once we get a draft out there it will be much easier to have something to talk about.

And in part two we'll -- you know we're going to have to come up with a plan because that's a fairly extensive set procedures that need to be revised. So we're going to develop a thoroughgoing literature search and try to discover what we need to do with the scope of work to get that done and we well have to get request some appropriations for that.

So some of the issues that we have about been hearing in decade long а conversation about Corps reform that we -- the commonly heard criticism of most the principles and guidelines, or they had objective and that was economics.

You can see though that we found a way to adapt the basic planning process, the first problem solving set of steps to

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ecosystem restoration. We had found a way to do that.

There's also some concern that we need to move toward a more standards based approach to public safety. In other words, if you sort of have public safety that's based on kind of you know trading it off against money, or doing a quasi-economic analysis you know you start to make people's safety depend on where they live. In other words you say you really don't -- you're not -- you know it's kind of hard in a society like this to have public safety that's determined by economic analysis.

You might want to have a standard that's nationwide and is equitably applied.

And you know when it's done placed based sometimes people with lower incomes don't fare as well as other places.

A watershed and systems approach we've been, you know this is something that goes way back in the history of American

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natural resources management. Almost to the beginning the conservation movement, the idea that we should manage all of our natural resources in a systems context and in the water case that typically is in the context of watersheds.

and in this fiscal system -- this system of federalism that we have it's pretty difficult to pursue a watershed approach if you don't bring all of the agencies and all the levels of Government into the mix so that you've got all the tools that you need to solve the problem.

if other words you know Corps does, know hydro-geomorphic you manipulation to recover natural water flows then you need somebody to do the water quality and somebody needs to participate on that basis and someone needs to be responsible for ensuring that there is meaningfully biological output and when the Corps leads

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that that has to be integrated into the decision process even though the Corps may not bring all of the inputs to that process. So there has to be collaboration.

watersheds really So are fundamental idea or notion that you expand the choice set and the ability to optimize and you're able to make better choices. Sort of like the free trade theorem. At any rate, the plans selection rule that we only pick NED plans we'll need to be looking at that issue. And we need to emphasize adaptive management and that's a very disciplined approach to project design and implementation that measures your progress towards goals and with sound science and then adjust the project as you go along and actually can be implementing the project that way. And that's the deal with uncertainty.

The point of this slide is to illustrate that what we're heading for is a multiple-objective approach where we

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1	conceivably are planning projects with both
2	economic and environmental outcomes and that
3	we're looking at this, some efficient set of
4	those projects that we have to make those
5	choices along that frontier. That concludes
6	my presentation.
7	I just wanted to pint out that Ken
8	Kopocis from the Transportation Committee came
9	back this afternoon too. I didn't mean to
10	leave him out.
11	FACILITATOR APOSTOLICO: We have
12	three speakers. The order they will be going
13	in is Bob Weaver from Kelly and Weaver, Jane
14	Rowan from American Water Resources
15	Association, and Jason Albritton from the
16	Nature Conservancy.
17	MR. WEAVER: Mr. Chairman, my name
18	is Bob Weaver and I appear today on behalf of
19	Lower Platte Natural Resource district in
20	Nebraska.
21	I want to congratulate you Mr.
22	Secretary and General Riley and Director

Stockton for proceeding with this step at this point. And I also want to recognize the devotion and commitment of Larry Prather to this effort and the issues that he identified in his presentation are certainly good issues that should govern or inform this process.

The Lower Platte Natural Resource Districts in Nebraska include the Lower Platte South, the Lower Platte North, and the Upaki Missouri River Natural Resource District established under Nebraska law in the 1960's.

These sub-states districts provide plain imaginative services for water and other natural resources in the Lower Platte Basin on a collaborative basis and two, a much more detailed extent from the state Government agency of Nebraska.

The Lower Platte NRDs have formed the Lower Platte Corridor Alliance with six Nebraska state Government agencies and work closely with local Governments in the Basin to address future water quality and water

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quantity needs in the area of expanding populations between Lincoln and Omaha.

This region includes ex-urban growth, high agriculture production, and surface and ground water resources serving the most populated part of Nebraska which will soon include approximately half the states population.

The Lower Platte NRDs have worked closely and collaboratively with the Corps of Engineers in its Omaha district for many years major several other three and resource projects. And I want to recognize the staff leadership and at the Omaha district, particularly that of Ralph Rosa, who has lately retired, and who has guided our efforts and assisted our efforts for many years.

The authority that initiated planning for these projects is the Lower Platte River and tributaries program administered by the Corps Omaha district and

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was inserted in a resolution by the House Committee, by Congressman Doug Bereuter in the late 80's.

The three major projects authorized by the Water Resources Development Act of 2000 include the Antelope Creek damage reduction, flood damage reduction project, the Western Clear Creek flood damage reduction project, protecting water resources and infrastructures serving the Lincoln and Omaha region and the Sand Creek environmental restoration project restoring wetlands which is serving central North American flyway and which also includes damage reduction benefits. flood These are great examples, all of them good examples of multiple purposes.

Together these projects have pursued multiple integrative objectives for the watershed including flood damage reduction, protection for public health and safety, and vital public infrastructure. By providing multiple environmental outputs and

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economic outputs to the Basin, it's communities, Nebraska and the nation as a whole.

These multiple objectives are to be further pursued on a collaborative and systems basis with state agencies, local Governments, and the Corps and other Federal agencies under the Lower Platte River watershed river restoration project established by Congress in WRDA `07.

Many changes affecting the nation's water resources have occurred since 1983. experienced expanding nation have we population and development. Strong national international economic and activity with associated benefits and externalities. for environmental Heightened concerns qualities and most recently climate change. Demands on agriculture and production, energy challenges, and stronger resource information, and technologies to make informed decisions. If anything these changes have

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only served to heighten the national importance that water provides to American families, to nations, states, communities both urban and rural.

All of these changes require the strengthening of the Corps missions and close collaboration with community states which possess fundamental legal authorities of course and sub-state regional agencies and other Federal agencies which possess expertise so vital to informed decision making.

Those Federal agencies I'd like to recognize. They include USGS, EPA, Natural Resources Conservation Service, NOAA, and FEMA among others.

Congress has established other key water planning authorities. The Federal Clean Water Act provided parallel authority for state and local water quality planning under Sections 303(b) and 208 and the Federal Safe Drinking Water Act includes similar authorities to protect source waters.

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These responsibilities have recognized in interagency agreements such as the one of watershed management between the then Director of Civil Works and the EPA Assistant Administrator for Water. And such agreements should be extended to meet intensifying demands for clean water should be considered in developing this round of P&Gs.

How would the nation do without the its Corps Federal agency partners. and quidelines Updated principles and should strongly speak to collaboration recognizing that collectively the Federal Agency programs provide major national, local, benefits for water management.

We believe revised principles and quidelines should articulate the following. First, sub-state and state water agency programs must be strengthened and assisted as effort central part of the to pursue planning national challenges to meet and

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demands.

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This means that the Corps missions should expanded include be to clear declaration for collaboration and assistance sub-state and state planning to and management. And that this principle should be affirmed beginning with the new P&Gs.

Second, planning and management should intensify the use of watersheds of all sizes and include integrations of surface and ground water considerations. while recognizing that the states maintain a critical role for the latter.

Nebraska and its natural resource districts have been integrating water research management for ground water and surface water for many years. And the Nebraska legislature has further strengthened this approach in this decade.

Third, investments in policy, scientific, technical, and management information must be strengthened by the

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Congress and state legislatures and include closer collaboration by Federal agencies and their state, sub-state, and university counterparts.

Fourth and last, local Governments, Congress, and the states must prepare to expand investments in water resources and water quality by looking to additional and alternative public revenue sources to provide for the challenges and demands known now and those ahead.

Congress has given the Corps wide latitude in Section 2031 to update the principles and guidelines. We urge these values that I've referred to be reflected in the new P&Gs.

Many other national studies, agencies, and venues will be considering these challenges in the coming months to which the updated P&Gs can inform and contribute. And that concludes my statement and I'd be glad to respond to any questions. I want to

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congratulate you for putting this effort together and moving on it and I hope that you all complete it on your schedule this year, thank you.

MS. ROWAN: General Riley and Secretary Woodley, distinguished panelists it is an honor and pleasure to stand before you here today representing nearly 4,000 or more water resources professionals throughout the United States for members of the national and sections for American state the Water Resources Association.

There are many voices and we appreciate that you have provided a forum in which to hear the words of the AWRA.

As you know besides providing a place for scientists and engineers to discuss cutting edge science engineering technologies and methods for improving benefits of water related projects the American Water Resources Association has provided a forum for water resources policy makers to discuss issues

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related to local and state and Federal water held free water policy policy. We have dialogues, the first in September 2002 Washington, D.C. The second was held in And the February of 2005 in Tucson, Arizona. last dialogue was held in January 2007 Arlington.

And we were pleased to have you in attendance along with a number of scientists, engineers, and policy makers from numerous local state and Federal Government entities.

The last dialogue was facilitated and at the end of the two days we produced a coherent strategy that touches many of the subjects addressed in the principles and standards.

Although believed that we the principles and standards when initially promulgated were useful standards to follow in the development of water resources projects we believe that policy dialoque our water eliminated several ways in which they might be

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enhanced. They are as follows.

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First, the dialoque attendees agreed that water policy in the United States consist of a mixed and matched set of laws, regulation, and executive orders quidance, overseen by many Government organizations including the Corps. AWRA believes that the nation needs to coalesce these directives into a common but succinct water policy that is applied consistently to all Government organizations and actions so that approaches in strategies will be similar between them. This includes the strategies set forth for the principles Corps in the current and quidelines.

Secondly, we suggest that there be improved collaboration not just coordination between the local, state, and Federal Governments when considering water projects. We believe this approach will save time and resources in the long run.

Needed information related to a

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particular project or watershed can be obtained by agencies if they are stored in a common location. Those governmental bodies may have funded, participated in, within completed studies а watershed to share previously will be able their knowledge.

Finally, concerns related to impacts can be discovered early on when the design strategy can be easily revised to compensate for identified impacts or to plan in environmental benefits.

Thirdly, the dialogue identified the efficacy of basing decisions on a good science rather than only a political economic basis. Critical issues related to the environment like endangered species, historic archeological resources, essential habitats or unique natural communities can be identified early on in project planning in order to avoid sites where lengthy environmental coordination will be required.

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Building an environmental component into a project, encountering environmental cost, using a solid scientific basis would provide more unbiased result.

Fourth, integrated water resources management approaches to water related projects will have a higher likelihood of sustainable achieving balanced а objective watershed based solution. Although state boundaries account for the jurisdiction of many state and local Government entities the natural world is divided into water sheds. Impacts to water within watersheds do not municipal disappear at the state orTherefore we suggest boundaries. that the principles and quidelines emphasize the importance of the multifaceted characteristics of the watershed and to include an assessment of impacts and benefits on a watershed basis, both water quality and water quantity and for both surface and ground water impacts.

and

Finally, we suggest that 1 in economic analysis that the principles 2 quidelines account for positive environmental 3 impacts that may result from a water project 4

6 economic terms.

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benefits Numerous can be consciously built into a water project if the opportunity to do so is provided early on in planning preliminary designs stages. recognizes that a project viewed holistically assuredly include environmental will most benefits when possible.

development even if they cannot be stated in

Secretary Woodley and General, we sent the results of our most recent dialogues key members of the Congress, all You probably Governors, and to the President. We have received few responses and know that. disappointed with the lack have been interest. The need is great and the hour is believe those late. Wе present dialogues represent some of the most informed

1	minds in the water resources community. We
2	respectfully request that you consider the
3	attached, and I did attach some comments, the
4	results of the dialogue to my written
5	comments, from these dialogues in the conduct
6	of your rewrite. And as always we stand ready
7	to assist you, the Corps, and anyone else who
8	may ask us in any way that we can and continue
9	to appreciate how you have supported AWRA.
10	And that concludes my statement, thank you.
11	MR. ALBRITTON: Good Afternoon. It
12	is good see all of you. I'm Jason Albritton,
13	Senior Policy Advisor for Water Resources with
14	The Nature Conservancy here in Arlington,
15	Virginia.
16	I appreciate the opportunity to
17	come here and talk about this revision to the
18	economic environmental principles and
19	guidelines as required by WRDA 2007.
20	As The Nature Conservancy has
21	increased our engagement in a variety of

restoration projects the Corps of Engineers

has become a very important conservation partner for us. Together the Conservancy and the Corps are working on a variety of projects ranging from large scale efforts in the Upper Mississippi River and Everglades to smaller projects under continuing authority programs.

The comments I provide today under the revisions of the principles and quidelines are drawn from our experience working on the ground with the Corps and are intended to help the Corps other agencies and to more effectively efficiently and manage resources while meeting some of the nation's most challenging environmental problems.

In addition to my oral statement today I've provided written comments which I'll refer you to which provide much more detailed recommendations that I'll get into here.

I would also note that our comments go a bit beyond recommendation son just the principles and standards which are the subject

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of today's first phase because many of the issues we raised apply broadly across the principles and the guidelines for implementing them.

Also before delving into some specific recommendations on the current principles and quidelines I would like to highlight the need for the analytical, integrative, and inclusive revision process I think this is a good first step towards achieving.

We believe this update provides an unparalleled opportunity to ensure long term sustainability and viability of water U.S. in the and strongly resources we recommend that the revision be accomplished in a way that ensures the end product reflects the nation's water resource priorities and effectively quides Federal agencies towards given meeting those priorities. Also the complex and critical nature of this update recommend the revision process would we

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accomplish a couple of things. First we hope that it would continue to provide multiple opportunities for public comment and a time line that allows meaningful integration of includes that Ιt comprehensive comment. integration of the expertise of other Federal agencies. It's thoroughly informed research that assesses the current state of our nation's waters resources. And it clearly synthesizes the strengths and weaknesses of the current principles and guidelines so we have a foundation to build on in revising. lastly, that it looks at And then future we know that the principles trends so will quidelines updates be responsive to future needs.

We believe this deliberative approach is very consistent with past efforts at crafting national water policy and then we hope a similar process will be used moving forward.

To move on to some specific

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1	recommendations. We believe the ultimate goal
2	of this update should be to move away from a
3	water resource policy. Focus primarily on
4	economic development and to a more
5	comprehensive approach that seeks to balance
6	multiple watershed needs.
7	We believe this revision should set
8	clear policy goals based on the useful policy
9	framework that was provided in Section 2031(a)
10	of WRDA 2007.
11	This three-pronged policy, which
12	places equal emphasis on sustainable economic
13	development, minimizing the unwise use of
14	flood plains, and protecting and restoring
15	natural systems should be explicitly reflected
16	in the revised principles and should guide the
17	analysis of all water resource projects.
18	All of the other issues I will
19	discuss build on this theme of creating a more
20	balanced water resource policy.
21	First, the principles and

must

better

think

we

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guidelines

address

protection and restoration of aquatic The past century has witnesses a ecosystems. precipitous decline in the ecological health of many of our nation's rivers and streams. decline Much of this is the unintended consequence of Federal water development projects that provided many important human benefits such as flood control, water supply, hydro-power, and irrigation.

Recognizing these impacts over decades of water resource development we believe it's now time to update the planning process to place ecosystem protection on par with economic development when evaluating and implementing new projects.

Under the current principles and guidelines maximizing national economic development which only accounts for a narrow subset of a projects full economic benefits and cost has become a primary standard for evaluating water resource projects.

We believe the P&Gs should be

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revised to apply more comprehensive analysis of project benefits and cost first incorporating a broader array of economic values into the NED account including monetary values of services provided by ecosystems such as flood attenuation, quality water filtration, and fisheries production.

In addition, other accounts that include non-monetary project benefits should receive the same weight as the NED in project planning and prioritization.

Also, as we become more aware of ecological impacts the of water the benefits development as well as that healthy ecosystems provide we believe important to ensure that projects that meet both human needs and restore ecosystems become the norm rather than the exception.

Currently these multiple purposed projects, which I believe Larry alluded to in his presentation, are often pigeon-holed into a single project purpose so they can be

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compared with other projects of the same type.

We believe that kind of comparison ignores many of the project benefits and results in the multiple purposed projects not competing as well in the process for allocating limited Federal dollars.

So to remedy this problem we believe that revision should make explicit that a project should be evaluated on its full benefits and cost and not forced comparison solely on a single project purpose.

The principles and guidelines we believe should also be updated to provide incentives for non-structural approaches to water resource projects such as flood plain and coastal restoration, land buyouts to remove vulnerable structures, and measures to prevent inappropriate development.

These measures can often be the most effective solution for reducing flood risk and controlling coastal erosion and generally have numerous advantages over some

structural approaches.

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In particular, non-structural term cost, approaches have less long residual risk, and generally are more compatible with environmental protection can even be important strategy for an ecosystem restoration.

Unfortunately these approaches are rarely used. The principles and quidelines do not currently provide any incentives for nonstructural approaches. So to improve the use of non-structural approaches we suggest that the revision to the principles and guidelines should clear preference state a for nonstructural approaches by requiring that these considered first with structural are alternatives being considered if а nonstructural approach is not feasible.

also believe broadening Wе focus of the NED analysis as Ι discussed earlier will help ensure more accurate representation of the long term project cost

and will help ensure non-structural approaches will be used where possible.

Another important concept that we believe should be incorporated into this update is a watershed approach, which I've heard many of you comment on.

Planners must be able to balance disparate interests such as navigation, flood risk management, water supply, and restoration and protection of the environment planning for all projects. A watershed should involve a consultation approach existing watershed water data and plans and analysis of how project meets or is consistent with broader watershed goals and engagement of other Federal and state agencies and outside stakeholders.

Lastly, believe this update we should incorporate principles of adaptive management into the principles and guidelines. planning Despite the best and modeling management of water resource projects needs to

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be periodically updated based on new information, understanding, and circumstances.

Adaptive management will be increasingly important with climate change which has already begun to influence weather and stream flow patterns and is calling into question many based assumptions about future project conditions.

Therefore, we recommend this update create mechanisms in the principles quidelines to enable efficient adjustments to water resource projects to adapt to changing conditions and further we believe that all projects should include an analysis and appropriate scales potential to qauqe the impacts of climate change on water resource qoals.

In closing, The Nature Conservancy believes that this update is critical to improving the planning and implementation of water resource projects for the coming decades and provides an important opportunity to build

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1	on lessons learned in river basin management,
2	flood risk reduction, and ecosystem
3	restoration.
4	We urge the Corps to ensure that
5	the update sets the policy necessary to
6	balance multiple needs in our watersheds and
7	to take a more holistic approach to water
8	resources. We look forward to continuing to
9	work with you as this process moves forward
10	and thank you for the time to comment today.
11	FACILITATOR APOSTOLICO: Before I
12	open the phone lines because I think there's a
13	few people on the phone now. Is there anyone
14	here who wanted to make comment that didn't
15	get a chance to yet?
16	(No audible response.)
17	FACILITATOR APOSTOLICO: No
18	MR. PRATHER: Mary, I just wanted
19	to recognize Ted Ilston from the Water
20	Resources and Environment Subcommittee of the
21	House Transportation Committee. Apparently I
22	overlooked you Ted, I'm sorry. The first time

1	I don't know there's a light right there
2	and I can't I'm getting old Ted, you know.
3	I'm glad you're here. I know you came late,
4	you were also here this morning and you had
5	you were here early I think and I didn't get
6	to recognize you, but I'm glad you're here.
7	FACILITATOR APOSTOLICO: I'm going
8	to ask the phone if there's anyone on the
9	phone if you could open the phone lines
10	Elizabeth. We have a monitor on the phone
11	helping us on the teleconference.
12	Could you let me know if there is
13	anybody who'd like to speak?
14	OPERATOR: Yes there is someone
15	that would like to speak. Please go ahead
16	you're phone line is open.
17	FACILITATOR APOSTOLICO: Could you
18	please identify who you are and if you are
19	representing an agency?
20	MS. SAMET: Yes, my name is Melissa
21	Samet, I'm the Senior Director of Water
22	Resources for American Rivers. We're a not-

for-profit conservation organization that has worked for years in reviewing, analyzing, and attempting to approve Corps projects and policies. We also sit as the co-chair for the National Corps Reform Network and through that network have extensive experience to Corps projects nationwide.

David Conrad as I understand it has already presented some of the information that we have provided in our written and detailed But I did just want to highlight comments. very important issue that Ι think essential in addition to the many other issues raised in the detailed that have been comments.

American Rivers does believe that the nation requires fundamentally new approach to water resources project planning. One that places primary emphasis the of project planning on protecting and restoring the nations water resources.

For decades investment in water

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resources has been directed to fuel economic development. And while that has brought positive gains to the nation the impact on our rivers, streams, and wetlands has been dire.

And as the nation continues to experience the changes from global climate change the needs to protect our limited and already degraded resources is going to become increasingly important.

I would like to just highlight one of the things that I think is fundamental to revising the principles and guidelines and that is ensuring that non-structural approaches are in fact utilized whenever they can be. This is something that the Corps does look at but rarely implements, at least from our experience in reviewing Corps projects.

I think that more needs to happen than just to calculate benefits and costs of non-structural, but that what the country actually needs is a principle that says if you can address the problem with a non-structural

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approach then that is the way it should be carried out. And then only to the extent that the problem can't be addressed through noninvest structural should be in other approaches to addressing a problem that will have adverse impact on the nation's an resources.

And we have many other issues that we think are extremely important to include in the revisions to the principles and quidelines, but I do think that a focus on non-structural and developing that in a way that actually drives the use of non-structural doesn't just allow it to sit out there to be selected amongst one of many, it's something that's going to be critical to moving the Corps in the direction where the nation needs it to be. And that's in a direction where you truly protecting and restoring are the nation's water resources.

That was just the one issue that I wanted to highlight and I very much appreciate

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1	the opportunity to present that to you today.
2	SECRETARY WOODLEY: Thank you very
3	much.
4	FACILITATOR APOSTOLICO: Thank you.
5	Is there anyone else on the phone that would
6	like to make a comment today?
7	(No audible response.)
8	FACILITATOR APOSTOLICO: I guess
9	not. With that I think I will turn it over to
10	you Secretary Woodley to make some final
11	remarks.
12	SECRETARY WOODLEY: Thank you,
13	Mary. I want to first of all say that when we
14	were when I first envisioned what the kind
15	of thing I would want to the opportunity I
16	would like to have and the benefits that I
17	would gain from it from having a public
18	meeting and opportunity for really any
19	interested person to come forward and express
20	their views and have input on this process I
21	was hoping that I would have, that we would

attract the kind of thoughtful and detailed

and very specific and reasoned comments that we have had today.

So I want to say that my every expectation that I had for having this forum as an opportunity for me to just once again immerse myself in these concepts and just learn from all of you has been fully realized.

And I am as profoundly grateful as I can be.

Thank everyone of the commenters and everyone who has been here. I want to this is that not the end of the stress process, this is the beginning of a process will and there be subsequent many opportunities for detailed engagement as within ourselves, within work agency, together with our Federal partners and the other -- at the National Academy and the people that identified are statutory mandate to realize the vision that Congress had when they placed this requirement upon us in November of last year that we will many more opportunities for the, have many,

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1	you know precise details of how these
2	revisions can embody as many as possible of
3	the comments and suggestions that we have
4	received today.
5	So I encourage everyone to continue
6	to pay attention to the effort that's ongoing
7	and to take you know lose no opportunity to
8	intervene at any point at which you believe
9	that that intervention can be constructive and
10	helpful to the process. Thank you very much.
11	FACILITATOR APOSTOLICO: Do any
12	other panel members want to make a remark?
13	(No audible response.)
14	FACILITATOR APOSTOLICO: Okay, yes
15	I'd like to thank you all again for making
16	this meeting run so smoothly and I wanted to
17	thank on behalf of everyone here, the panel
18	for taking the time out and the Federal
19	agencies that came and, again thanking the
20	community for coming out and providing your
21	input.

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(Whereupon, the meeting was

concluded at 2:00 p.m.)

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